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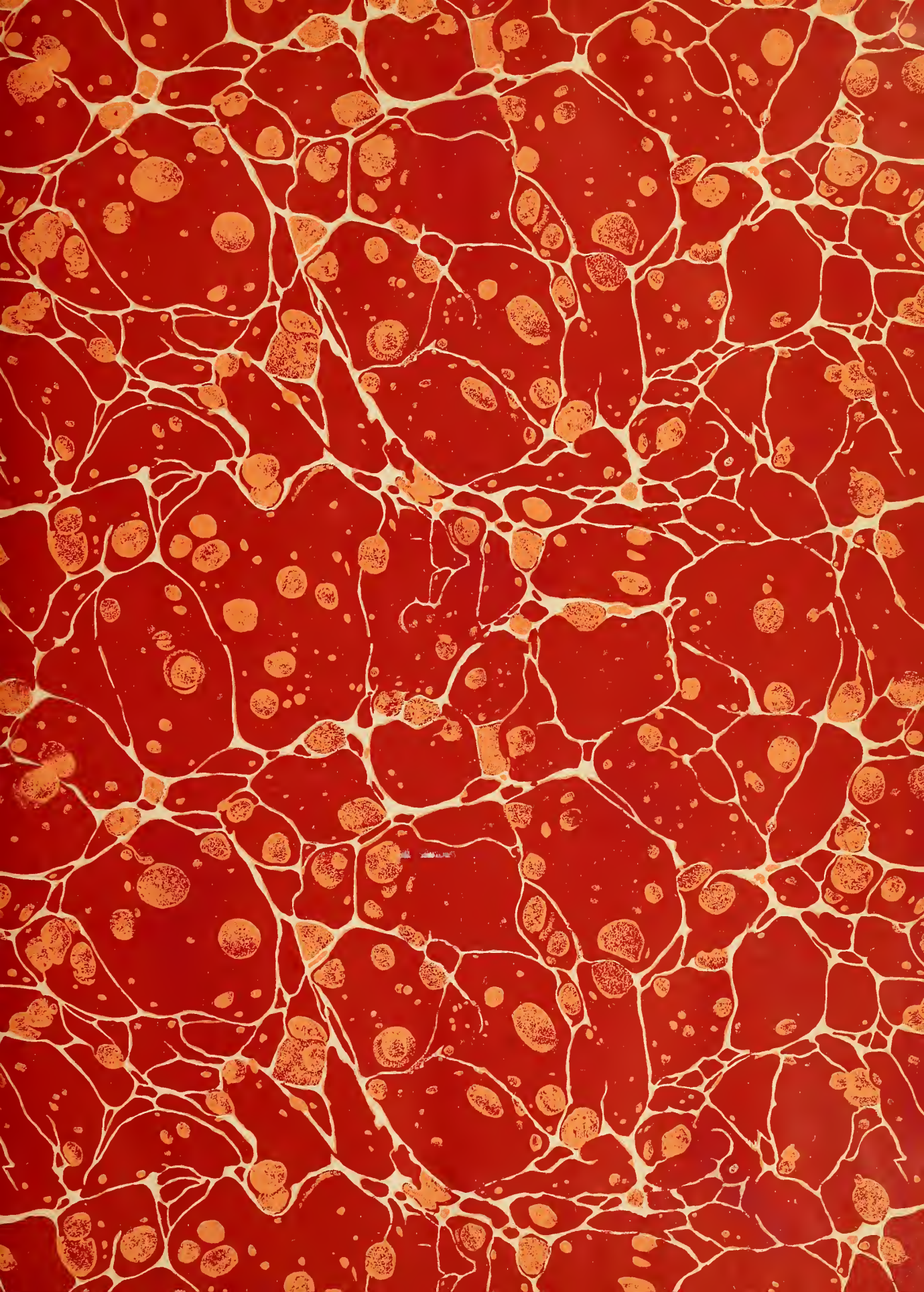
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# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Jan. 5, 1928

Vol. 8, No. 1

### WISCONSIN MARKETS COMMISSIONER DISCUSSES MARKETING FUNCTIONS.

Assistance to agriculture in improving the process of the transfer of commodities from producer to consumer from the point of view of economy and efficiency is emphasized in a report just issued by Commissioner James H. Vint regarding the activities of the Wisconsin Department of Markets.

Discussing the so-called "middleman problem", Commissioner Vint declares that "the functions of the middleman are necessary: (1) because of the separation of the producer and the consumer; (2) because of the comparative isolation of the individual farmer; (3) because of his relatively small output, and (4) because of the complexity of trade brought about by the transportation of large quantities of farm products from one part of the country to another and from one country to another.

"The real problem is not to eliminate the middleman entirely but to determine, whether in particular cases, the transfer of products from producer to consumer can be carried on more efficiently through the medium of private commercial agencies or through the medium of cooperative associations. The activities of a state marketing agency, like the Department of Markets, consist of a studying and investigating marketing practices to find out where improvement is feasible and to assist in bringing about such improvement.

"Agricultural marketing does not lend itself easily to the methods of marketing employed by the large manufacturing enterprises, due to the fact that agriculture is decentralized and less specialized, being carried on by millions of relatively small producers. Decentralization in production leads to a decentralization in marketing, and, as a consequence, not only are operating costs and marketing expenses proportionately higher in agriculture than in the large urban industries, but there is more occasion for waste, inefficiency and duplication of marketing functions. This is complicated by the factor of perishability of farm products.

"The disadvantages under which agriculture labors from the point of view of assembling, merchandising, storing and financing are receiving the attention of the Department of Markets in those of its activities which relate to cooperative organization, the market information service, and the administration of the State and Federal Bonded Warehouse Acts. The department devotes a great deal of time and energy to the problem of organizing new associations as well as aid to the established organizations, this assistance being given in the form of services rendered through the introduction of business methods in cooperative associations, through investigations of their management, through direct aid in organization and through legal advice and assistance.



"The department employs three trained accountants to make annual and special examinations of the books kept by cooperative associations, to make audits, to conduct investigations of business practices, to suggest changes in the scheme of record keeping, whenever such changes are deemed necessary and to make installations of uniform accounting systems. The department gives free legal assistance to cooperative associations, in charge of an attorney regularly employed by the department.

"Closely connected with successful marketing is accurate, reliable and rapid information regarding fluctuations of prices, movements and market conditions in general. The market news service which the department maintains is closely linked with the news service of the U. S. Department of Agriculture through a cooperative agreement which places the leased wire of the Federal Department at the disposal of the Department of Markets. To provide the people of the state with the quickest known type of market reports, the department has built its own radio station, known as WLBL, for broadcasting market reports. Local telephone companies receive the reports by radio and read them over the telephone after giving a general ring to all patrons. Many banks, stores, cheese factories and creameries are copying the reports and posting them on bulletin boards.

"Wisconsin was the first state in the Union to introduce a complete program of standardization for fruits, vegetables, hay, honey, cheese, poultry and eggs and to devise grades on these products. Standardization involves inspection of shipments which is carried on by the Department of Markets in cooperation with the Federal Bureau of Agricultural Economics. An important result of the standardization work is that farm products are being sold more and more on the basis of quality and that standardized products command a premium on the market."

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#### AGRICULTURE SHOWS IMPROVEMENT DURING THE YEAR.

A "fairly good" year for agriculture in the chief producing sections of the country, with the exception of the central and eastern part of the corn and hog region, is reported by the Bureau of Agricultural Economics in its final "Agricultural Situation" report for the year 1927.

The year brought a measure of recovery to the cotton belt, according to the report, but much of the central and eastern section of the corn and hog region had a poor crop of corn, which fact coupled with a slump in hog prices left the past season a disappointing one. The swine industry was hit last spring by a market slump, especially in the European market, and continued through the season on a level of prices somewhat below the two previous years.

"The other livestock industries, however, have fared relatively well," says the statement. "Dairymen have operated with a favorable margin between milk and feed prices. Beef cattle prices have climbed steadily and cattlemen are beginning to see daylight once more.

Sheep raisers have now rounded out a six-year period of prosperity. All told, 1927 was a year of well-balanced production. It brought the price level of farm products this fall up near that of two years ago, which was the highest since 1920."

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GEORGE O. GATLIN TO DO  
MARKETING WORK FOR OREGON.

George O. Gatlin, agricultural economist in the Division of Co-operative Marketing, U.S. Department of Agriculture, has resigned effective January 16, to accept a position as extension specialist in marketing with the Extension Service of Oregon State College at Corvallis, Oregon.

Mr. Gatlin has been associated with the Bureau of Agricultural Economics almost continuously since 1918. His major work the last several years has been in research, service and extension activities with special reference to the cooperative marketing of cotton and tobacco.

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KANSAS CITY HAY TO BE  
FEDERAL INSPECTED.

Federal inspection will be accorded all hay arriving on track at Kansas City for members of the Kansas City Hay Dealers' Association under an agreement between the Bureau of Agricultural Economics and the Association. The Association has adopted the U.S. hay standards and employed two inspectors who have been trained at the bureau's Kansas City office of the Hay, Feed and Seed Division.

Kansas City, the largest hay market in the United States, is handling close to 25,000 cars of hay a year, and practically all dealers are members of the Kansas City Hay Dealers' Association. Representatives of the Bureau of Agricultural Economics have been making inspections in the new arrangement should increase greatly the volume of inspection business there.

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FOOD SHORTAGE UNLIKELY  
IN UNITED STATES.

Small likelihood of a food shortage in the United States for the next seventy-five years is seen by Dr. O. E. Baker of the Bureau of Agricultural Economics.

"Looking forward a century, when our population appears likely to have become stationary at 200,000,000 persons," Dr. Baker says, "all the evidence available suggests that agricultural production can keep pace with the increase of people without any greater changes in the character of the food supply than those which have occurred during the last quarter century. Continued mechanization of agriculture will cause production to increase as rapidly as population during the next decade."

### RECENT GOVERNMENT FILMS DEAL WITH MARKETING.

Marketing subjects are covered by recent motion pictures produced by the United States Department of Agriculture. One picture is entitled "Cooperative Marketing in the United States," a picture which touches briefly on the history of cooperative marketing in this country, with illustrative scenes showing the handling of various commodities that are now marketed through producers' organizations.

"Wheels of Progress" is the title of a two-reel film which portrays the revolution wrought in transportation methods and highway improvement since the advent of the automobile, thirty years ago. Another film, of interest to marketing men, is entitled "Southern Cattle, Yesterday and To-Day," a picture which deals with the gradual eradication of the cattle fever tick from infested Southern States.

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### FARM MANAGEMENT STUDIES TO BE MADE OF EAST TEXAS FARMS.

C. A. Bonnen of South Dakota Agricultural College has been appointed Farm Management Research Specialist in the Division of Farm and Ranch Economics, Texas Agricultural Experiment Station, and assigned to a study which will be made in East Texas of the organization and operation of some of the more usual types of farms in that area. The purpose of the study will be to determine combinations of enterprises and farm practices which, over a period of years, will give the best returns to the land, labor, materials, and equipment employed.

The work will be started this month and continued over a period of three or more years. The area to be studied centers around Smith, Gregg, and Harrison Counties. A preliminary study will be made of 100 farms which are representative of the area.

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### ILLINOIS PROGRAM WOULD INCREASE DAIRY AND POULTRY COOPERATIVES.

Organizing the collective bargaining power of Illinois farmers who produce annually more than \$75,000,000 of poultry, eggs, and cream will be the goal of the Illinois Agricultural Association working with the 94 organized county Farm Bureaus in the State during 1928. With cooperative produce shipping associations already operating in nine counties, and organization work in progress in nine others, the Produce Marketing Department of the Association is hopeful that the economies and advantages of the movement may be carried to producers all over the State the next few years.

The annual convention of the Illinois Agricultural Association will be held at Rock Island, January 19-20.



DAMAGE TO PERISHABLE GOODS IN COLD STORAGE.

The case of John Nix & Co. v. Herbert, decided by the Supreme Court of Appeals of Virginia in November, 1927 (140 S.E. 121) involved the storage of 4277 barrels of apples in a cold storage warehouse, and their alleged deterioration in condition when delivered by the warehouseman to the bailor.

The plaintiff - a large buyer of apples - bought the apples in controversy and placed them in the cold storage plant of defendant. The plaintiff contended that the apples, when delivered to defendant, were sound and that when redelivered were affected by scald, which gave them an unattractive and unwholesome appearance.

As to the care required of defendant in the storage of apples, Section 1510 of the Code provides:

"A warehouseman shall be liable for any loss or injury to the goods caused by his failure to exercise such care in regard to them as a reasonably careful owner of similar goods would exercise, but he shall not be liable, in the absence of an agreement to the contrary, for any loss or injury to the goods which could not have been avoided by the exercise of such care."

The general rule is that the burden of proof is on the bailor to show that the loss or injury to goods was due to the negligence or other fault of the warehouseman, and it is sufficient if he proves facts from which such negligence or fault may be presumed; therefore, upon proof that goods were delivered to warehouseman in good condition he will be liable for loss or injury while in his custody unless he establishes that such loss or injury was not due to his failure to exercise due care.

In the opinion it is stated that:

"While a cold storer is in no sense an insurer of the perishable goods committed to his care, and is only liable for a breach of the statutory duty imposed upon him, yet, by reason of the peculiar nature of the enterprise in which he is engaged, he stands upon a different footing from that occupied by the ordinary warehouseman.

"Refrigeration is a mechanical process of comparatively recent origin and requires experience and skill.\*\*\*

"One who commits his apples to a cold storer has the right to expect - not preservation, for that is impossible beyond a certain period - but a prevention of decay for a reasonable period, depending upon the circumstances of each particular case. Without this expectation the storage of perishable products would be but a venture."

The Code affords protection to the warehouseman by allowing him, when the goods stored are of a perishable nature, to give notice to the owner to remove the goods, in the event of deterioration. The fact that the Code requires the exercise of due care is not conclusive of the question of the burden of proof when perishable goods have been damaged while in cold storage, as "in no sense was it the intention of the Legislature to declare upon whom the burden of proof should rest."

After the introduction of evidence the court instructed the jury in effect that the burden of the proof rests on John Nix & Co. to prove that they sustained the loss complained of, and that such loss was due to the failure of Herbert to exercise such care as a reasonable, prudent owner would exercise, and that negligent acts of Herbert causing the injury must be affirmatively proved. The giving of this instruction was assigned as error, and the Appellate Court upheld the plaintiff's contention in this respect. The court then discussed the cases of C. & O. Ry. Co. v. Orenshaw (137 S.E. 515) C. & O. Ry. Co. v. Timberlake, Currie & Co. (137 S.E. 507) and C. & O. Ry. Co. v. Orenshaw (132 S.E. 467) - all of which cases have been previously digested and published in "Marketing Activities" - and was of the opinion that these cases are similar to the case at bar; that the storer like the carrier, has absolute control of the goods; that the owner has no opportunity to observe conditions and no power to alter them, and that the weight of authority supports the conclusion that the burden is on the carrier to show that it is not responsible for damage to perishable goods when received by it in good condition, but delivered to consignee in bad condition.

H. F. Fitts.

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#### FARMERS' WEEKS AND OTHER EVENTS.

Georgia will hold its Twenty-first Annual Farmers' Week and Marketing Conference at Athens, Georgia, January 23-28.

West Virginia holds its Farmers' Week at Morgantown, W. Va., January 9-13.

Minnesota will hold its Farmers' and Homemakers' Week at University Farm, January 16-21.

The Fourth International Congress of Entomology will be held at Cornell University, Ithaca, N.Y., August 12-18, 1928.

New York State vegetable growers met at Oswego, N.Y. in annual conference, January 4-5.

Connecticut holds its Fourth Annual Union Agricultural meeting at the Hotel Garde, January 25-27.

New York State Dairymen's Association will hold its fifty-first annual meeting at Albany, N.Y., January 17.

STATE AND FEDERAL

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Jan. 12, 1928

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### MARKETING SUBJECTS STRESSED AT FARMERS' CELEBRATIONS.

Farmers' Week the country over is holding the center of the agricultural stage as we go to press. Examination of the programs discloses greater emphasis being laid on marketing subjects. Many of the personnel of the Federal Bureau of Agricultural Economics are taking part in the celebrations, reporting to farmers what the bureau is doing in agricultural economics and marketing.

Addresses by Federal workers include "Crop Reporting - Its Value to the Potato Grower", by W. F. Callendar, Chairman, Crop Reporting Board; "Advertising, Individually and Collectively," by J. Clyde Marquis, Director of Economic Information; "The Produce Agency Act", by C. W. Kitchen, Assistant Chief, Bureau of Agricultural Economics.

A National Farmers' Week has been proposed from time to time, and it is not impossible that an annual celebration of this kind may be inaugurated at some time in the future, during which agriculture and its problems, from a national standpoint, will hold the Nation's attention. Meantime we have the local Farmers' Week, the almost simultaneous celebration of which in the various States is in effect a national celebration.

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### FARM OUTLOOK REPORT TO BE ISSUED JANUARY 30.

The National Agricultural Outlook Report prepared by the Bureau of Agricultural Economics with the assistance of economists and statisticians from State Extension Services will be issued at Washington, D.C., January 30. This is the sixth annual report on the farm outlook.

The popularity and practical value of these outlook reports are attested by the fact that an increasing number of States have established a similar type of report from a localized or regional viewpoint, issued subsequent to the issuance of the national report. Evidence is accumulating that more and more farmers are organizing their farm business in the light of these State and National outlook statements.

The report of the Federal bureau will be printed in a circular as in the past and is expected for distribution about February 10. Copies will be mailed to Extension workers, crop reporters reporting to Washington, and country bankers. Arrangements will be made to furnish to those States that are preparing a State outlook report, sufficient copies of the circular for them to mail a copy of the Federal report along with their State report to key lists of economic workers within the State.



PRODUCE AGENCY ACT  
BECOMES OPERATIVE

Enforcement of the Produce Agency Act by the United States Department of Agriculture has been made possible by presidential approval of the First Deficiency Bill which makes available to the department \$10,000 for enforcement of the act for the balance of the fiscal year ending June 30, 1928. The Produce Agency Act became effective July 1, 1927, but funds for its enforcement were not provided because of the failure of the deficiency bill in the last Congress.

The Produce Agency Act affects transactions in perishable farm products in interstate commerce. It prohibits dumping of such products without good and sufficient cause; any false report or statement to the shipper regarding the handling, condition, quality, quantity, sale or disposition of such products, and failure to truly and correctly account for shipment.

The act is to be administered in the Bureau of Agricultural Economics, which bureau is soliciting the cooperation of shippers and receivers in carrying out the provisions of the law. The bureau will investigate all cases in which there seem to be good and sufficient reasons for complaint, provided the necessary evidence, documentary or otherwise, on which to base an investigation is furnished the bureau. Unsatisfactory returns, without some evidence of fraud or collusion, do not constitute a violation of the act.

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A. W. MILLER HEADS PACKERS  
AND STOCKYARDS DIVISION.

Dr. A. W. Miller, for the last ten years chief of the Field Inspection Division of the Bureau of Animal Industry of the United States Department of Agriculture, has been selected by Secretary Jardine to fill the position recently left vacant by the resignation of John T. Caine III, who was in charge of the Packers and Stockyards Administration.

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TOBACCO GROWERS HAVE LARGER  
INCOME FOR PAST YEAR.

Tobacco growers the past year, with 46,200 acres less tobacco than in 1926, will receive approximately \$34,000,000 more for their crop than from the crop of 1926, according to preliminary estimates of tobacco by types by the Bureau of Agricultural Economics. The figures indicate that the average return per acre to tobacco growers increased from \$143 in 1926 to \$168 in 1927. Tobacco yields in general were lower the past season than in the year before, but the quality of most types was better. Increasing consumption of cigarets and five cent cigars and increased exportation of tobacco have effected a material reduction in stocks of old leaf.

SECRETARY JARDINE EULOGIZES  
MASTER FARMERS.

Extension of the Master Farmer movement was urged by Secretary Jardine of the Department of Agriculture, addressing farmers and others at the Master Farmer Dinner, Oklahoma City, January 6. There are now more than 200 men bearing the title of "Master Farmer", Secretary Jardine said.

Eighteen Oklahoma farmers were honored at the Oklahoma dinner. The average age of these eighteen men is 52 years. They have spent from fourteen to forty years in farming. They own on an average 399 acres each. The average value of the farms owned by these Oklahoma farmers is \$32,000 and the average net income on this investment for the years 1924-26 was 10.4 per cent; that is, this per cent of income was obtained over and above the family living and after all operating expenses were paid. The amount thus earned is available for operator's labor and management and for interest on the investment.

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A. E. MERCKER RESIGNS AS  
NEW JERSEY MARKETS CHIEF.

Resignation of A. E. Mercker, as Chief of the New Jersey State Bureau of Markets to accept a position with the Federated Fruit and Vegetable Growers, Inc., has been announced, effective February 1.

The vacancy has been filled by Warren W. Oley, who has been organization specialist of the Bureau of Markets.

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MARYLAND SUMMARIZES RESULTS  
OF SHIPPING POINT INSPECTION.

One thousand twenty-two cars of Irish potatoes were inspected in Maryland the past season under Federal-State Shipping Point Inspection, of which 74.5 per cent were U.S. No. 1 grade. There were also inspected 471 cars of apples, and 104 cars of peaches. Inspection service was given on pears for the first time. Inspections were also made on cucumbers, sweet potatoes and tomatoes.

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OHIO LAUNCHES CAMPAIGN TO  
PROMOTE COOPERATIVE MARKETING:

A campaign to promote co-operative livestock marketing among the farmers of Ohio was begun October 1, 1927 by the Ohio Livestock Co-operative Association, Columbus, to be carried on "until every Ohio farmer is producing and marketing livestock most advantageously."

NATIONAL STANDARDIZATION OF  
POULTRY PRODUCTS IN PROSPECT.

National standardization of poultry products is in brightest prospect than ever before, according to George H. Powers, Bureau of Agricultural Economics, addressing the New York State College of Agriculture.

"Some shippers and shipping associations," Mr. Powers said, "are selling to New York egg receivers on a basis of the percentage of U.S. extras. U. S. standards of quality and U.S. grades are used in two of the markets on the West coast as a basis for trading. One eastern exchange has interpreted its exchange grades in terms of U. S. standards of quality. Many institutions and branches of the Federal Government that buy eggs are using the U. S. retail egg grades as a basis for their contract specifications. Two states, New York and California, have enacted laws governing the sale of eggs at retail and use the U. S. standards of quality as a basis for their grades."

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AN INTERNATIONAL ORGANIZATION  
OF NATIONAL FARM ASSOCIATIONS.

A multigraph paper has been issued by the Bureau of Agricultural Economics in which Asher Hobson, American Delegate to the International Institute of Agriculture at Rome, reviews the movement for the formation of an international organization of national farm organization.

"From time to time during the past forty years," Mr. Hobson declares, "there have been well-developed movements in Europe toward the founding of some sort of international agency controlled by, and representing, the organized farmers of the world. Within the past five years such a proposal has been under constant and serious consideration by cooperative leaders. At nearly every international meeting where farmers' representatives were gathered the question has come up for consideration. Rivalry between international agricultural organizations, and conflicting interests as to the form of the proposed union and the scope of its activities, have been retarding influences, but the idea has continued to develop."

The views of various representatives at the Bern, Switzerland, conference last September are presented in the paper, together with a description of the International Commission of Agriculture organized in France in 1891.

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LONG-TIME AGRICULTURAL PROGRAMS in the United States, National, Regional and State, 1921-27, is the title of a mimeograph publication compiled by the Bureau of Agricultural Economics Library, Washington, D.C.



IN CONGRESS:NEW BILLS:

- S. 1988, by Senator Sheppard, forbidding forecasts or predictions of future cotton prices by Government officials.
- S. 2148, by Senator McNary, to fix standards for hampers, round stave baskets and splint baskets for fruits and vegetables, and for other purposes.
- S. 2149, by Senator McNary, authorizing and directing the Secretary of Agriculture to investigate all phases of crop insurance.
- S. 2015, by Senator McKellar, to authorize the creation of organized rural communities to demonstrate methods of reclamation and benefits of planned rural development.
- S.J.H. 67 by Senator Capper, directing the Interstate Commerce Commission to take action relative to the adjustment of freight rates upon export grain and grain products moved by common carriers subject to the Interstate Commerce Act, and the fixing of rates and charges.
- S.J.R. 61, by Senator Capper, to provide for an Agricultural Day.
- H.R. 8298, by Mr. Stalker, authorizing acquisition of a site for the farmers' produce market, and for other purposes.
- H.R. 8301, by Mr. Smith, to amend the Act entitled "An Act for the retirement in the classified Civil Service, and for other purposes." A similar bill (H.R. 8315) was also introduced by Mr. Smith.
- H.R. 8565, by Mr. Smith, to authorize leave of absence for departmental employees, under certain conditions.

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COTTON MEN TO SELECT COTTON  
FOR GOVERNMENT STAPLE STANDARDS.

Representatives of cotton growers', manufacturers', and shippers' associations and of cotton exchanges have been invited by the Department of Agriculture to Washington January 16, when cotton will be selected for use in making practical forms of staple standards under authority of the United States Cotton Futures and Cotton Standards Act.

RECENT PUBLICATIONS.

"Freight Rates and Agriculture - A List of References", has been issued as a mimeograph report by the Federal Bureau of Agricultural Economics.

"Suggestions for use of Financial Statements and Statistical Information by Cooperative Associations," is the title of a mimeograph report by the Federal Bureau of Agricultural Economics.

"Practices Responsible for Variations in Physical Requirements and Economic Costs of Milk Production on Wisconsin Dairy Farms," has been issued as Research Bulletin 79 by the Wisconsin Experiment Station.

"A Profitable Plan in Producing Pork," is the title of Circular 211 issued by the Kentucky Extension Division.

"The Potato Industry in New Jersey", has been issued as Bulletin 454 by the New Jersey Experiment Station.

"Analyses of Commercial Fertilizers, Fertilizer Supplies and Home Mixtures for 1927", has been issued as Bulletin 456 by the New Jersey Experiment Station.

"Scouting, Quarantine, and Control for the European Corn Borer, 1917-1926," has been issued as Technical Bulletin 53 by the United States Department of Agriculture.

"Activities of Livestock on the Range," has been issued as Bulletin 367 by the Texas Experiment Station.

"Varieties of Cotton in the Red Prairies of Northwest Texas," has been issued as Bulletin 366 by the Texas Experiment Station.

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SECRETARY JARDINE DISCUSSESFARM USE OF MECHANICAL POWER.

Farmers are making constantly increased use of mechanical power, Secretary Jardine of the Department of Agriculture told the National Automobile Chamber of Commerce at New York City January 10.

"Electricity is being used to a greater extent on the farm," he said, "and the increase will be still greater as power lines and other means make it more practicable. From 1920 to 1925 the number of tractors more than doubled, reaching a total of half a million. At the same time the number of horses and mules decreased but the increase in mechanical horse power was probably five times the decrease in animal horse power. Use of the combine in harvesting wheat is revolutionizing production of this crop on many of the great wheat farms of the Middle West.



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### NEW VERMONT MARKETS DIRECTOR ANNOUNCES PROGRAM FOR STATE.

A marketing program for Vermont, as part of the New England program of the New England Council, has been announced by L. A. Cooley, newly appointed Director of the Vermont Bureau of Markets. The program includes grades and standards, development of roadside stands, market information and advice to shippers, help and advice for cooperatives, market news service, and transportation.

"Our first and outstanding problem," Mr. Cooley said, "will be the setting up of grades and standards for all Vermont products as required by law. The grades that will be set up by the Department of Agriculture will be voluntary in their application to producers. A suitable label will be provided at cost for those producers who use the standards, to identify the product as coming from Vermont farms and as being packed in accordance with Vermont standards. After standards are established, the work will be pushed with dealers and consumers in order to develop further the demand for a graded product.

"Market information and advice to shippers will be designed to keep producers informed of new practices; to protect shippers to our terminal markets against unscrupulous dealers; to assist in getting adjustments from market receivers against whom there is complaint; and also to make suggestions as to the most advantageous places to ship.

"We stand ready to assist existing cooperatives in any problem that they may present such as, preparing plans for financing, assisting in amending by-laws to enable organizations to further develop their policies, and to assist any group that desires to organize a cooperative. We will be glad to make studies of the needs and conditions surrounding the sale of any products in question, advising leaders as to what is necessary for a proper and orderly procedure.

"A special service on feed and hay prices designed especially to enable dairymen to watch the market as an aid in purchasing is now being worked up. Transportation service will consist of assisting producers in preparing claims to file with carriers. We are also ready to help in the preparation of surveys to determine the needs for the increased or special service for any community."

Mr. Cooley is a graduate of the New Jersey State Agricultural College and was for six years County Agricultural Agent in that state. Later he became Secretary of the New Jersey State Farm Bureau and still later general manager of a large cooperative association in New York City. During the last three months he has been making a special study of market analyses in the Department of Markets at Albany, New York.



MARYLAND HOLDS CONFERENCE  
ON MARKETING SITUATION.

All phases of farm marketing in Maryland are being considered at the annual conference of the Agricultural Extension Service at the University of Maryland, January 17 to 20, with a view to planning a strong marketing program for the coming year.

The conference will include discussions of the present trends in marketing by Lloyd S. Tenny, Chief, Bureau of Agricultural Economics; strengthening of the dairy marketing program, by Dr. R. A. Pearson, President, University of Maryland; the clearing house plan for marketing fruits and vegetables, by Dr. F. B. Bomberger, Director, Del-Mar-Va Association; livestock and poultry marketing problems, by R. R. Slocum, Bureau of Agricultural Economics, and many other marketing subjects.

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COTTON MEN MEET ON  
STAPLE STANDARDS SELECTION.

Representatives of cotton growers', manufacturers' and shippers' associations and of cotton exchanges met at the Department of Agriculture at Washington, January 16, in connection with the selection of cotton for use in making practical forms of staple standards under authority of the United States Cotton Futures and Cotton Standards Acts.

Lloyd S. Tenny, chief, Bureau of Agricultural Economics, told the conferees that "it is the purpose of the bureau to recommend to Secretary Jardine that he promulgate as the original representations of the staple standards entire bales of cotton which will be kept under proper safeguards in a vault and which will be of sufficient quantity to permit reference from time to time as need arises without danger of early depletion.

"At the same time," he declared, "we plan to set aside a suitable number of bales of cotton of each length which will be used in the future in the preparation of the so-called practical forms or types of the standards which are distributed to cotton buyers and sellers in this country and elsewhere in the world."

Following a preliminary discussion of methods used in selecting the staple standards, the conferees adjourned to the bureau's cotton laboratory to examine samples of cotton from the bales to be used in making physical representations of the standards. At the conclusion of this examination, one bale of each length will be recommended by the bureau to Secretary Jardine for designation as the original representation of the standard for that particular length of staple.

Mr. Tenny declared that "so long as this supply of cotton lasts it is not likely that we shall consider any further revision or modifications of the practical forms of the standards." Members of the conference agreed that the selection of bales of cotton instead of small samples would better meet the practical needs of the cotton industry.

NATIONAL AUTHORITIES TO REVIEW  
GOVERNMENT FARM PRICE RESEARCH.

A review of the economic research in farm price analysis that is being done by the Bureau of Agricultural Economics will be made by a committee of six nationally known economists and statisticians at the request of Lloyd S. Tenny, chief of the bureau, with the approval of Secretary Jardine. This follows the custom of the bureau to call in disinterested experts from time to time to review its work and make suggestions regarding improvements of method. The last review of the work of the bureau was made two years ago.

Members of the committee include Carl Snyder, Federal Reserve Bank, New York; Frederick C. Mills, Bureau of Economic Research, New York; G. F. Warren, Cornell University; E. G. Nourse, Institute of Economics, Washington, D. C., and Holbrook Working, Food Research Institute, Stanford University, California.

The purpose of the committee is to examine the bureau's economic research work, particularly in the new field of price analysis, make a disinterested appraisal of the adequacy of the methods followed and the data available for such work, and also study the uses being made of the results. The committee was organized during the recent meeting of economists at Washington, and will meet from time to time to formulate the Committee's report and recommendations.

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RELENTLESS FIGHT ON  
BORER WILL CONTINUE.

The fight on the European corn borer will be carried on with the utmost vigor in 1928, said Dr. A. F. Woods, director of scientific work of the Department of Agriculture, opening the important conference on corn borer research held in Washington, January 4. The conference was attended by administrators, scientists, and technical experts of the department and of State experiment stations, and representatives of scientific and engineering societies and commercial interests, and others from 14 States.

The department's activities in 1928 will include cooperation with the States in a comprehensive research and educational campaign in the infested area. Quarantine measures, the cleaning up of river valleys, and other precautions against long-distance spread will also be taken by the department in cooperation with the State authorities.

As part of the campaign, the Bureau of Agricultural Economics plans, by means of surveys and analyses, to furnish data on the kinds of farming now being practiced in each area, the methods of caring for the corn crop, and the costs of control measures.

Numerous committees were authorized at the conference to review and correlate the various phases of the work.

CANADIAN OFFICIALS TO ASSIST  
IN ENFORCING IMPORT MILK ACT.

Detailed plans for handling the inspection work under the Federal Import Milk Act were discussed with Dr. J. H. Grisdale, Deputy Minister of the Canadian Department of Agriculture, at a conference in Washington with W. G. Campbell, director of regulatory work, and Dr. P. B. Dunbar, assistant chief of the Food, Drug and Insecticide Administration, Department of Agriculture, January 6.

Dr. Grisdale informed the Department of Agriculture that the Canadian officials are ready to make sanitary inspection of farms from which the milk is shipped to the United States and physical examinations of the herds which produce the milk. A tuberculin test will be made at least once a year. A complete system of inspection has been organized and approximately 235 veterinarians and 50 inspectors of the Canadian Department of Agriculture have been authorized to assist in making these inspections. Other department officials taking part in the discussion were Dr. A. E. Taylor, W.R.M. Wharton, A. Stengel, and H.B. Switzer of the Food, Drug and Insecticide Administration.

Since the passage of the act in May, 1927, over 3,800 temporary permits admitting milk and cream into the United States have been issued. Each permit represents a shipper who obtains his milk from a number of dairy farms. The number of dairy farms from which each shipper draws his milk ranges from about 10 to nearly 100.

A station is being organized by the Food, Drug and Insecticide Administration at Rouses Point, N. Y., and inspection service will be installed at certain other points on the Canadian border to make inspection and bacteriological examination of milk as it is shipped across the border. H. B. Switzer, bacteriologist of the Chicago Station of the administration, will be placed in charge of that station. The Rouses Point Station will operate as a unit of the Eastern Food and Drug Inspection District of which Mr. Wharton is chief.

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TENTATIVE FEDERAL GRADES  
FOR DRESSED POULTRY.

Tentative grades for dressed poultry have been prepared by the Bureau of Agricultural Economics and distributed among the poultry industry for comments and criticism. The proposed grades are intended for use by packers and shippers and by buyers and distributors of dressed poultry. They are based upon the practical experience and constructive suggestions of various members of the trade and are being distributed in their present form to a large number of poultry packers, dealers and others who are interested in establishing uniform grades for dressed poultry. Copies of the proposed grades may be obtained from the bureau at Washington, D. C.



## IN CONGRESS:

- S. 1968, by Senator Smoot, authorizing the Secretary of Agriculture to pay for the use and occupancy by the Department of Agriculture of the Bieber Building, 1358 B. St., S. W., has passed the Senate.
- S. Con.Res.4, by Senator Ransdell, resolved that for the purpose of interpreting the meaning of the tariff act of 1922, with respect to imported broken rice, "broken rice" shall include only the class "brewers' milled rice" as specified by the U. S. standards for milled rice, has passed the Senate.

## NEW BILLS:

- S. 2429, by Senator Sheppard, for the promotion of pecan culture in Southwestern United States.
- S. 2312, by Senator Jones, to amend the act entitled "An Act to promote export trade," and for other purposes.
- S. 2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission under the Radio Act of 1927.
- S. 2533, by Senator Shipstead, to repeal the United States Grain Standards Act.
- H. R. 8907, by Mr. Perkins, to fix standards for hampers, round stave baskets and splint baskets for fruits and vegetables, and for other purposes.
- H. R. 9040, by Mr. Perkins, to establish the standard of weights and measures for the following: wheat-mill, rye-mill and corn-mill products, namely, flours, semolina, hominy grits and meals and all other commercial feeding stuffs, and for other purposes.
- H. R. 9041, by Mr. Oldfield, to authorize the President to classify certain positions under the Civil Service Act.
- H. R. 9187, by Mr. Ketcham, to amend the act entitled "An act for the reorganization and improvement of the foreign service of the United States," and for other purposes.

New Bills:

- H. R. 8825, by Mr. White, of Maine, to amend "An act for the regulation of radio communication, approved Feb. 23, 1927" and for other purposes.
- H. R. 8828, by Mr. Blanton, to prevent gambling in cotton, wool, mohair, or grain futures\*\*\*\*.
- H. R. 8836, by Mr. Gambrill, authorizing acquisition of a site for the farmers' produce market.
- H. R. 8839, by Mr. Jones, to prevent the sale of cotton and grain in future markets.
- H. R. 9278, by Mr. Aswell, to establish a Federal farm board to aid in orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.
- H. R. 9206, by Mr. Dallinger, authorizing the acquisition of a site for the farmers' produce market, and for other purposes.
- H. Res. 81, by Mr. Brand, of Georgia, to investigate the accuracy of certain reports of the Department of Agriculture relative to cotton.

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RECENT PUBLICATIONS.

"List of Agricultural Cooperation Economic Charts," mimeograph issued by the Bureau of Agricultural Economics.

"Marketing Florida Celery, Summary of 1927 Season," mimeograph issued by the Bureau of Agricultural Economics.

"Marketing North Carolina Strawberries, Summary of 1927 Season," mimeograph issued by the Bureau of Agricultural Economics.

"A Ten-Year Review of Home-Management Extension, 1914-24," Department of Agriculture Circular No. 17.

"Factors Influencing the Yield of Apples in the Cumberland-Shenandoah Region of Pennsylvania, Virginia, and West Virginia," Department of Agriculture Technical Bulletin 54.

"Flour for Pretzels," Department of Agriculture Technical Bulletin 46.

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Jan. 26, 1928.

Vol. 8, No. 4.

### NATIONAL FARM OUTLOOK REPORT IN PREPARATION.

Practically the entire technical staff of the Bureau of Agricultural Economics, together with representatives from numerous States, are engaged, as we go to press, in the preparation of the National Agricultural Outlook Report for 1928. The group is made up of commodity or subject matter committees. Each committee prepares a preliminary report which is then submitted to the group as a whole, referred back to committee, re-submitted to the entire assemblage, and finally passed for inclusion in the complete report.

The economists, statisticians, marketing experts and other members of the outlook group began work on the report early Monday morning and will continue through to January 30, the date set for public release of the statement. A summary of the report will be furnished the press, and the entire report printed in a circular which will be ready for general distribution about February 10. Copies will be mailed to Extension workers, crop reporters reporting to Washington, and country bankers; and to other economic workers.

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### GOVERNMENT MEAT GRADING SERVICE IS EXTENDED.

Extension of the meat stamping and grading service of the Bureau of Agricultural Economics to include "good" grade beef along with "prime" and "choice" has been announced by the U. S. Department of Agriculture.

The addition of "good" grade beef will make available for Government stamping and grading approximately 27 per cent of the total beef supply. Decision to include "good" grade beef in the service is the result of widespread approval of the bureau's experiment started last spring in stamping and grading "prime" and "choice" carcass beef, and requests from packers and retailers to extend the service to other grades.

The beef is graded and stamped by Government graders at the leading livestock markets and slaughtering centers upon the request of slaughterers. Many retailers have reported that the availability of Government graded and stamped beef has greatly stimulated consumer demand for products so graded and stamped.



SECRETARY JARDINE ANNOUNCES  
1928 CROP REPORTING DATES.

The following crop reporting dates for the ensuing year have been announced by Secretary Jardine of the U. S. Department of Agriculture.

Livestock on Farms.

January 25, 1928, 4 p.m.

Grain and General Crops.

March 8, 1928, 2 p.m.  
March 16, 1928, 3 p.m. (Planting Intentions)  
April 10, 1928, 3 p.m.  
May 9, 1928, 3 p.m.  
June 8, 1928, 3 p.m.  
July 10, 1928, 3 p.m.  
August 10, 1928, 3 p.m.  
August 17, 1928, 3 p.m. (Planting Intentions)  
September 10, 1928, 3 p.m.  
October 10, 1928, 3 p.m.  
November 9, 1928, 3 p.m.  
December 14, 1928, 4 p.m.  
December 18, 1928, 3 p.m.

Cotton.

May 17, 1928, 11 a.m.  
July 9, 1928, 11 a.m.  
August 8, 1928, 11 a.m.  
September 8, 1928, 11 a.m.  
October 8, 1928, 11 a.m.  
November 8, 1928, 11 a.m.  
December 8, 1928, 11 a.m.

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ALBERTA WHEAT POOL DESCRIBED  
IN NEW PUBLICATION.

Of especial interest at this time is a 64-page publication entitled "Pooling Alberta's Wheat," issued by the Alberta Co-operative Wheat Producers Limited, Calgary, Alberta.

The publication contains a brief history of the Alberta Wheat Pool, its organization structure, the Alberta Pool Elevators Limited, the aims of the wheat pool, handling and financing pool grain, wheat pool economy, the pool contract, the selling of pool grain, anti-pool propaganda, public opinion and the wheat pool, and wheat pool statistics.

Copies may be obtained from the Alberta Co-operative Wheat Producers Limited, Calgary, Alberta.

COTTON LINTERS STANDARDIZATION  
SHOWS PROGRESS.

Progress in the establishment and use of Government cotton linters standards is reported by G. S. Meloy, cottonseed products specialist, Bureau of Agricultural Economics. To date more than 1,500 copies of the standards for grade and character have been distributed to the trade. Approximately one-third the total number of cottonseed oil mills of the country have copies of the standards, and practically all large concerns that convert linters chemically.

Extensive research has been made with regard to the color of linters, much confusion existing throughout the trade on this factor. Mr. Meloy declares there are, strictly speaking, but two basic normal colors of linters, olive and buff. Each of these colors, however, varies in shade in the various sections of production.

The objects of the linters standardization program are to improve production and facilitate marketing. Practical application of the standard grades is being made by several branches of the Federal Government which purchase mattresses, the grades appearing in Government specifications for mattress felts. Steps are being taken also to prepare specifications for mattresses to meet the hospitalization requirements of several States.

Each of the four principal factors of value in linters is now covered by standards, which include character of linters for each of the three sections of production; staple or blends of fiber; tolerance of foreign matter; and the factor of color as covered in separate standards.

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MARKETING ASSOCIATION TO HANDLE  
MONTANA CERTIFIED SEED POTATO CROP.

Plans for the organization of a State-wide marketing association to handle Montana's certified seed potato crop were made at the meeting of the Montana Potato Improvement Association at Montana State College early this month. The first step will be to organize county marketing associations in the important potato growing areas of the State and then to federate the county organizations into a State unit at a meeting to be held early in February.

When the State organization is formed it is proposed to send a representative to Southern States to build up a wider market for Montana seed. This representative will have authority to sign contracts for the association. The Potato Improvement Association is opposing increase in certified seed acreage until new markets have been developed.

Certification fees for the coming year established at the meeting of this Association include an application fee of \$10, which also covers the cost of inspection for the first acre of potatoes, an inspection fee of \$2 for each additional acre, and a tag fee of five cents for each 100 pounds of potatoes certified.

NEW MEXICO POULTRYMEN  
FARM STATE ASSOCIATION.

An organization to be known as the New Mexico State Poultry Association has been organized at Albuquerque, New Mexico. Representatives from practically all parts of the State were present. The purpose of the organization is for the different poultry groups over the State to combine into one central organization so as to work out problems of common interest. Anyone in the State who is a poultry raiser or which is vitally interested in poultry may be a member of the State Association.

The Association consists of seven directors, of which five are to represent the five districts into which the State is divided, and the remaining two are directors at large. These men constitute the governing body of the Association and from them is elected the president, vice-president and secretary-treasurer.

Six committees have been appointed, each having for its chairman a member of the board of directors. These include committees on accreditation of flocks and hatcheries, legislation, prevention of poultry losses by thievery, State poultry show, finances and membership, and miscellaneous work.

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PURDUE WILL GIVE FARM BUSINESS  
COURSE NEXT MONTH.

Purdue University will hold its annual Farm Business Short Course at Lafayette, Indiana, February 13 to 15. Marketing, farm management for profits, prices of farm products, taxation and legislation will receive attention in this course which is held under the auspices of the Department of Farm Management and Rural Economics. Men from other institutions who will assist the Purdue staff in the work are Dr. B. H. Hibbard, University of Wisconsin, J. Clyde Marquis and Paul Johnston, Bureau of Agricultural Economics, and Professor G.A. Pond, University of Minnesota.

Any one registered in the course may arrange a personal conference with a member of the staff of the Department of Farm Management and receive aid in the solution of his individual farm problems.

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COSTS AND METHODS OF FATTENING BEEF CATTLE IN THE CORN BELT 1919-23, is the title of Technical Bulletin 23, issued by the U. S. Department of Agriculture in cooperation with the Agricultural Experiment Stations of the States of Illinois, Indiana, Iowa, Missouri, and Nebraska.

ILLINOIS CROP AND LIVESTOCK STATISTICS has been issued as Circular 360 by the Illinois Department of Agriculture in cooperation with the U. S. Bureau of Agricultural Economics. The figures on crops cover the years 1924, 1925, and 1926, and on livestock the years 1925, 1926, and 1927.



IN CONGRESS:

H.R. 7459, by Mr. Morgan, to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards and for other purposes, has been reported out of the Committee without amendment (Rept. No. 339).

S. Res. 52, by Senator McMasters, "Resolved that the Senate favors an immediate lowering of certain tariff schedules," and that tariff legislation, should be considered and enacted during the present session of Congress", has passed the Senate.

S. 672, by Senator Robinson, of Arkansas, for the purpose of rehabilitating farm lands in the flood areas, has passed both Houses. This bill authorizes an appropriation of \$500,000 to be used for the employment of county agents and home demonstration agents.

NEW BILLS:

H.R. 9674, by Mr. Hare, to amend the act entitled "An act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton, approved March 3, 1927."

H.R. 9371, by Mr. Jones, to place agricultural products upon a price equality with other commodities.

H.R. 9573, by Mr. Oldfield, to provide for the further development of agriculture, home economics, and industry.

H.J. Res. 164, by Mr. Martin, of Louisiana, interpreting the meaning of the tariff act of 1922, with respect to imported broken rice.

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INTER-RELATIONSHIPS BETWEEN  
AGRICULTURE AND BUSINESS.

The broad and intricate inter-relationships between agriculture and the many elements in the nation's business have given rise to oft-repeated generalizations, the most common being that the national welfare depends upon agricultural prosperity, declares L. H. Bean, economist, Bureau of Agricultural Economics, in a mimeographed paper just issued by the bureau.

"This generalization," according to Mr. Bean, "is being questioned for a very good reason. We have witnessed during the past few years general national prosperity in face of a prolonged agricultural depression, a fact which suggests that an observation of such long standing needs perhaps to be restated in terms of present day facts. It is for the purpose of promoting such a restatement that this paper will present a few facts and comments."

Delivery Must be Made at Railroad Station  
Specified in Bill of Lading

Porter v. Long Island R. R. Co.  
225 (No.3) N.Y. Supp. 365

The decision in this case, rendered on November 30, 1927, by the Supreme Court, Appellate Division, Fourth Department, placed upon the railroad company the responsibility of making delivery of cars at the particular station specified in the bill of lading.

The plaintiff, Porter, a produce dealer, shipped to himself at Long Island City two carloads of hay. The bills of lading specified "Harold Avenue Yard delivery." The cars were sold for delivery to Parceleo Bros., whose storehouse was near the Harold Avenue yard. The cars were not delivered at the Harold Avenue yard, but at the 8th Street yard. Plaintiff refused to accept delivery, and defendant refused to deliver elsewhere upon demand. Plaintiff had Parceleo Bros. move one carload by truck at a cost of \$30. The other car was sold by defendant after plaintiff refused to accept it at 8th St. After sale, defendant claimed a balance due of \$151, which he received as counterclaim in this action for damages.

The action was based upon failure to deliver according to contract and a claimed obligation resting on defendant to deliver at Harold Avenue. It was brought out at the trial that the railroad company had been shipping hay to the Harold Avenue yard for years; that plaintiff had billed 35 cars to that yard, all of which were delivered there; and that the two cars in this suit were the only ones about which there had been any controversy.

Railroad company claimed there had been no custom established of delivering for Parceleo Bros. at Harold Avenue yard; that whenever reasonably possible the company delivered cars at a point most accessible to the consignee, but that the selection of the place of delivery was necessarily always controlled by operating conditions in the classification yard. Defendant further claimed that "Harold Avenue yard delivery" in bills of lading was inserted by the shipper, or by the agent of the initial carrier, and not with consent of defendant, and that such specification had never been authorized by the Interstate Commerce Commission which controls all carrying contracts; that such contracts can contain nothing not authorized by the I. C. C. and that they were discriminatory, illegal and void.

It was held by the court that the bills of lading were valid contracts; that the refusal of defendant to deliver the cars at the Harold Avenue yard was unreasonable and contrary to custom, and in each instance constituted a breach of the contract of carriage. Upon these conclusions the judgment was reversed and directed in favor of plaintiff.

- H. F. Fitts.



STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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Feb. 1, 1928

Vol. 8, No. 5.

### THE 1928 AGRICULTURAL OUTLOOK

Some improvement in agriculture is expected for 1928 if farmers avoid expansion of production and continue their efforts to balance production with demand, according to the annual agricultural outlook report for 1928 prepared by the Bureau of Agricultural Economics.

This report presents conditions for the country as a whole and will be supplemented by many State and regional reports prepared by the agricultural colleges and extension agencies in the States to aid farmers in planning their operations for the crop year 1928. The following recommendations are made from the national viewpoint and the conclusions must be modified to meet local conditions in many cases, the report states.

A summary of the recommendations on leading crops and livestock follows:

#### Domestic Demand May Improve:

The agricultural industry as a whole may anticipate a domestic market situation for the 1928 production at least equal to that of the present winter with the possibility of some improvement.

Foreign demand for the agricultural products of 1928 probably will be no better than it was for those of 1927. The purchasing power of foreign consumers seems likely to be no greater than during the present season and foreign competition is likely to be greater.

The agricultural credit situation in most sections of the country is somewhat improved over that of a year ago. The credit supply in financial centers continued abundant and rates on commercial loans and investments have shown further decline.

Farm labor will probably be available in a slightly larger supply at least during the first half of 1928. Farm wages and the prices of farm machinery are not likely to change and building materials when purchased in quantities probably will be lower than last year.

When American cotton growers begin to market the 1928 crop, it is probable that they will meet the relatively favorable condition of a smaller carryover than last year, and a demand situation about the same as for the 1927 crop. The danger of damage from boll weevil still exists in spite of the extremely low temperatures in January and still looms as a material factor in determining yield per acre. Cotton growers have in their own control the determination of acreage and to the extent to which they increase their acreage over that planted in 1927 they will tend to reduce the total return from the 1928 crop.

The World wheat crop will probably again be large if average or better than average yields are secured. Unless there is heavy winter killing in hard winter wheat areas any material increase in the acreage of hard red spring wheat in the United States will further tend to increase the World

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Washington, D. C.  
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supply for market next fall and winter, and probably reduce returns to growers as compared to 1926 or 1927. The outlook for durum wheat is quite uncertain, but increased competition is in prospect.

Flax acreage can be expanded profitably to replace other spring grains grown in the same area.

Rice acreage, though reduced last year, produced a large crop and further reduction in acreage seems advisable.

Oats are likely to meet a less favorable market in the next crop year since present prices are largely due to below-average yields for two years.

Barley is unlikely to bring as high prices in 1928 as in 1927 when there was a shortage of feed grains in Europe.

The continued decrease in the numbers of hay consuming animals, coupled with the unusually large carryover in sight from the large 1927 crop, indicates that, even should the 1928 crop be below average, supplies of hay in 1928-29 will probably exceed normal livestock requirements.

#### Little Change in Corn Acreage

Corn acreage for the entire country in 1928 will probably show little change from last year if normal weather prevails at planting time. With average yields a 1928 crop about equal to 1927 may be expected and with the more normal geographic distribution of the crop prices are more likely to approach the average for the 1926 crop than those which have prevailed to date for the 1927 crop.

Beef cattle for slaughter and as stockers and feeders seem reasonably certain to meet a market in 1928 that will average higher than in 1927 although the peak prices of that year may not be equalled. Market supplies of cattle in 1928 will probably be 6 to 10 per cent smaller than in 1927.

Hog prices seem likely to show some strengthening, but no very material change, beyond the usual seasonal fluctuations until next fall and winter when market supplies will probably be effected by the curtailed production resulting from the present unsatisfactory price situation. Some improvement in domestic demand for pork is anticipated but export demand during the greater part of 1928 promises to be even lower than in 1927.

With wool stocks in this country light, and with a strong foreign market, the outlook for wool growers appears favorable. Sheep numbers continue to increase and prospects indicate a lamb crop for 1928 somewhat larger than a year ago. Demand for lamb is not likely to improve sufficiently to offset the prospective increase in production.

Mohair producers have an immediate outlook much better than last year but looking further ahead they should be careful not to expand production more rapidly than domestic requirements.

The dairy industry appears to be in fully as strong a position as a year ago, with indications of only moderate expansion in production. Domestic demand is likely to be maintained during the coming year and consumption is likely to continue to increase faster than production so that the increasing foreign supplies will be further drawn upon to supplement domestic production. This seems a very desirable time for saving the better dairy calves so as to permit culling the herds closely before a material decline from the present high slaughter value of the old cows occurs.

Numbers of horse and mule colts indicate further decreases in work animals for several years to come. Eventually, this reduction will reach a point where scarcity will cause prices to rise to higher levels. Increased breeding of work animals is advisable as a side line in areas of cheap pasture, east of the Rocky Mountains.

Poultry producers have favorable prospects of a higher level of prices for both dressed and live poultry at least during the first half of the year because of lighter supplies in storage and prospective favorable demand. The low storage holdings of eggs and the favorable outcome of the 1927 storage season with the number of layers practically unchanged should result in higher egg prices during the coming year.

About the same quantity of feed grains is available for the rest of the season as a year ago, stocks of legume and other hays are unusually large, but there is a slightly smaller supply of by-product feeds. Prices of by-product feeds and feed grains therefore probably will continue higher than a year ago but hay prices much lower.

#### Fewer Acres of Feed Crops

Present acreages of feed crops and hay exceed the needs of present aggregate livestock numbers. Adjustment of this unbalanced situation should be in the direction of fewer acres of feed crops rather than more livestock.

Potato growers in all the northeastern and north central States appear to be planning substantial increases in their acreages. If these intentions are carried out and western growers do not decrease their acreages more than they now plan there is little probability of returns from potatoes equal to those secured during the last three years.

Overproduction of sweet potatoes occurred in 1927 because of continued heavy planting in the eastern commercial region accompanied by a widespread shift from cotton to sweet potatoes in the South. A substantial reduction in acreage is needed and such a readjustment may be expected to result from the much lower price received for the 1927 sweet potato crop and from the higher prices of alternative crops.

Cabbage acreage should be moderately reduced to restore the price to a better level. There is no justification for continuing the present upward trend in acreage.

Onion acreage in late or main-crop States, if reduced 10 per cent below the 1927 acreage would, with average yields, result in a crop about the same size as that produced in 1925 and would likely restore the more favorable price level of that season. In the intermediate shipping States growers would hardly be justified in increasing their acreage above that planted in 1927.

The bean crop of 1927 is apparently fully equal to domestic demands and the same acreage with an average yield would give a larger crop. An increased acreage would probably result in further reduction in prices.

Fruit production has reached a point where it is difficult to market these crops at satisfactory prices in years when weather conditions are favorable for good yields. In view of the very heavy losses experienced when an excessive acreage of fruit trees is planted it is hoped that future plantings will be influenced more by the long time prospects for the fruits in question and less by temporary conditions.



The citrus fruit outlook indicates as did those of 1926 and 1927 a future prospect for a marked increase in the bearing acreage of grapefruit and oranges and a very large increase in their production in years when favorable growing weather prevails. In general the outlook is unfavorable for additional plantings.

Apple production by commercial orchards for the country as a whole will continue to gradually increase during the next 5 or 10 years. There is nothing in the apple outlook to unduly discourage commercial growers who are favorably located and who produce high quality fruit at a low cost.

Peach growers under normal weather conditions may expect heavy production and difficult marketing conditions during the next few years. The potential bearing capacity of orchards in the southern area is so great that a considerable reduction in number of the older unprofitable trees would result in a higher farm value for the crop.

Grape production is likely to continue heavy for several years. Early relief for recent unsatisfactory marketing conditions is likely to be accomplished in California only by an immediate appreciable reduction in acreage. In eastern and mid-western areas increases in acreages do not seem justified.

Strawberry growers face a market outlook slightly less favorable than that of a year ago. With average yields, the crop this year will be one of the largest on record.

#### Cantaloupe Acreage Needs Reduction

Cantaloupe acreage needs to be sharply reduced in the Imperial Valley of California and other early areas if last year's disastrously low prices are to be avoided. Maintenance of 1927 acreage in intermediate shipping States and slight decreases in late shipping States seems advisable.

Watermelon prices during the past few years indicate that the acreage planted last year in early producing States should be slightly reduced and that in late States only slight increases appear advisable.

Peanut growers in the Virginia-North Carolina Section should not allow present prices to cause them to overplant Virginia type nuts. A maintenance this year of the 1927 acreage of Spanish and Runner types of peanuts in the South can be expected to result in prices reasonably satisfactory to the grower.

The outlook for profitable marketing of alfalfa seed from the northern and northwestern States and of red clover seed should continue relatively favorable. For alfalfa seed from the Southwestern States and for sweet clover seed the outlook is not promising for growers.

The dominating influences in the general tobacco situation are the steady increases in consumption of cigarettes at home and abroad, heavy production and increasing stocks of flue cured types, and decreased stocks in most other types of tobacco. The outlook for flue cured if acreage is increased is decidedly unfavorable. For Burley, One Sucker, Maryland and most cigar types the outlook is favorable if excessive acreages are avoided. The outlook for dark fired types does not justify material changes in acreage.

Present prospects for sugar point to a continuation of large world production with prices at approximately the present level through another season where present prices and profitable acreage may be maintained or increased.



MISSOURI TO HOLD  
"OUTLOOK" CONFERENCES.

Directors and managers of livestock shipping associations are being included in the list of farm leaders to whom invitations will be extended to participate in the agricultural outlook conferences which will be conducted by representatives of the Agricultural Economics Department of the Missouri College of Agriculture during February and March.

Thirty such conferences are being arranged so as to reach all parts of the State. In order to cover the State as rapidly as possible before farmers have definitely decided on their crop acreages and livestock breeding and seeding operations for the year, the conferences will be conducted two a day beginning as soon as the outlook subject matter can be prepared and made available for use.

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NORTH DAKOTA ARRANGES  
ECONOMIC CONFERENCES.

Agricultural economic conferences for the purpose of drawing up programs of agricultural development for each section of the State will be held at six different points during February, according to C. F. Monroe, director of the North Dakota Extension Division.

Committees of farmers have been named for each county to consider each important agricultural commodity produced in the State. They will be presented with the information which has been prepared by members of the college staff regarding these commodities, and coupling this with their own experiences, will work out a program of agricultural development for their particular section involving specific recommendations as to changes in crop acreages and livestock production.

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LOUISIANA REPORTS STEADY PROGRESS  
IN STANDARDIZATION AND INSPECTION.

The Louisiana State Supervisor of Grading and Inspection on fruits and vegetables reports progress during 1927. Only 6 per cent of the inspected cars of potatoes failed to pass U. S. Grade No. 1 requirements last year, he reports, whereas the preceding year, 25 per cent failed.

Greatest improvement in grading and packing is reported being made by farmers in their own shipping associations. Dealers and shippers, as a rule, have been far behind the farmers organizations in better grading, packing and inspection, he says.

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"MARKETING FARM PRODUCE BY PARCEL POST" has been issued as Farmers' Bulletin 1551 by the U. S. Department of Agriculture.

NEW JERSEY PROPOSES"HONEST PACK" LEGISLATION.

An "honest pack" bill providing that the face of all packages of fruits and vegetables must be representative of the whole is being sought in the New Jersey Legislature, according to the New Jersey Department of Agriculture. This bill would make it a misdemeanor to sell any package of fruits or vegetables in New Jersey of which the visible part was not representative, and was prepared by and has the backing of all the farmers' organizations of the State.

New Jersey fruit and vegetable growers have in the past endeavored to improve the quality of the goods shipped from New Jersey farms. Some steps have been taken previously to standardize the pack and the package in which produce has been shipped. However, says the New Jersey Department of Agriculture, the practice of topping or facing packages of fruits and vegetables with higher quality produce than found in the bottom of the package has injured the reputation of produce from New Jersey and hindered the development of the fruit and vegetable industry of the State.

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COTTON GROWERS URGED BY ECONOMIST  
TO PRODUCE BETTER COTTON.

Declaring that American spinners are consuming cottons averaging higher in grade and staple length than those produced by American cotton growers, Dr. B. Youngblood of the Bureau of Agricultural Economics urges growers to "adjust the quality of the crop upward to meet existing requirements of American mills."

Dr. Youngblood says that the American cotton crop during the past 135 years has apparently declined in grade, if not in staple length. Only a small part of the total acreage is planted from year to year to better cotton varieties.

It is probable, he declares, that if there were available a supply of staple of suitable lengths, more uniform in fiber lengths and of better character, both American and foreign mills would take them at suitable premiums.

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NEW JERSEY SURVEYS STATE'S  
POULTRY AND EGG INDUSTRY.

New Jersey's egg production has more than doubled since 1920, while the increase in the United States averaged only 18 per cent, according to a recent survey by the New Jersey State Department of Agriculture. The survey shows that the grading of eggs has brought a premium over ungraded eggs on the competitive market.

The results of the survey have been published by the New Jersey Department of Agriculture in circular 130, entitled "The Poultry and Egg Industry of New Jersey".

## IN CONGRESS:

- S. 1413, by Senator Mayfield, to prohibit predictions with respect to cotton prices in any report, bulletin or other publication issued by the Department of Agriculture, or the Department of Commerce, and for other purposes, reported out of the Senate Committee without amendments.
- S. 1968, by Senator Smoot, authorizing the Secretary of Agriculture to pay for the use and occupancy by the Department of Agriculture of the Bieber Building, 1358 B St., S. W., has passed both Houses.

## NEW BILLS:

- S. 2864, by Senator Curtis, to establish the standard of weights and measures for the following: wheat-mill, rye-mill and corn-mill products, namely, flours, semolina, hominy grits, etc., and for other purposes.
- S. 2853, by Senator Dill, to amend an act entitled "An act for the regulation of radio communications, approved February 23, 1927, and for other purposes.
- H. R. 9947, by Mr. Lankford, to establish a Federal Farm Board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.
- H. Res. 102, by Mr. Sinclair, authorizing the Committee on Ways and Means to frame a bill looking to a proper revision of the tariff schedules in the interstate agriculture and industry.
- S. 2829, by Senator Kendrick, to provide for aided and directed settlement on Federal reclamation projects. A similar bill (H. R. 9956) was introduced by Mr. Winter.
- S. 2854, by Senator Capper, to amend the Federal farm loan act and the agricultural act of 1923.
- S. 2899, by Senator King, to amend the Federal reserve act and the national banking laws.
- H.R.10081 and 9840, by Mr. Kelly, to amend the Federal Retirement act.

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"FARM PRACTICES UNDER CORN-BORER CONDITIONS" has been issued as Farmers' Bulletin 1562 by the U.S. Department of Agriculture.



Railroad Liable for Damage to Perishable Products Iced by it  
Contrary to Shipper's Instructions

Gus Datillo Fruit Company v. Illinois Central Railroad et al  
(299-No. 5-S. W., 1089)

This case involved the question of responsibility for damage to a carload of bananas shipped by plaintiff, caused by the icing of the car containing them by an agent of the railroad company contrary to instructions of the shipper. In the trial court a judgment of dismissal was entered from which the plaintiff has appealed (Court of Appeals of Kentucky, November 25, 1927).

The plaintiff, a wholesale fruit dealer of Louisville, had shipped to himself from New Orleans a carload of bananas which was accompanied by his messenger or agent who regulated the temperature in the car in order to preserve the fruit. A notation on the bill of lading read: "ventilation or icing instruction to be arranged by messenger when in charge or on special instructions." Datillo inspected the fruit upon arrival in Louisville and found it to be in good condition. He then sold the bananas for shipment to Huntingburg, Indiana. He took out the plugs, opened the ventilators in the car and gave the railroad company a written statement instructing them to "keep vents and plugs as above to destination unless otherwise instructed." No further instructions were given by him. No messenger accompanied the shipment from Louisville. Upon arrival of the car at Huntingburg the agent, believing that it should be iced and on authority of one of his superiors, but without instructions from either Datillo or the consignee, caused the fastenings on the vents to be broken and the bunkers filled with 8,400 pounds of ice. As a result of this Datillo claims the bananas were chilled, frozen and damaged to the extent of \$526.25.

It is stated that the carrier made it appear that what was done was proper, notwithstanding instruction of the shipper, but it was nevertheless contrary thereto; and that in the opinion of the court the only questions remaining to be determined are whether such breach of instructions damaged the fruit and if so to what extent; that if Datillo's instructions had been carried out the railroad would not have been liable for the result of such action, but that they are clearly liable for action contrary thereto. Accordingly judgment was reversed in favor of the plaintiff.

H. F. Fitts.

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"FREEZING INJURY TO POTATOES" has been issued as Technical Bulletin 27, by the U. S. Department of Agriculture.

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Feb. 8, 1928

Vol. 8, No. 6.

### SHERMAN RESUMES POST AS FEDERAL MARKETING SPECIALIST.

Wells A. Sherman, chief of the California Division of Markets since last June, under a cooperative arrangement between the Bureau of Agricultural Economics and the California Department of Agriculture, will return to his duties in Washington in the near future as chief marketing specialist, in charge of the fruit and vegetable division. Burke H. Critchfield who has been representing the bureau in California will succeed Mr. Sherman as chief of the California Division of Markets.

Mr. Sherman was loaned to California to unify the activities of the two organizations in connection with the marketing of farm products, and to obtain for the agricultural interests of California more effective marketing service. Mr. Critchfield will maintain close contact with the California College of Agriculture and to the end that the efforts of the college, the United States Department of Agriculture, and the California Department of Agriculture will be united in marketing studies when such joint action will tend toward efficiency and the public interest.

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### IMPROVED MARKETING PRACTICES FOR DAIRY AND POULTRY INDUSTRY.

Standardization of dairy and poultry products, encouragement to producers to meet market demands for quality products through payment on the basis of quality, and better relation of local buying prices to terminal market wholesale prices are fundamental improvements needed in the dairy and poultry industry, according to Roy C. Potts, Bureau of Agricultural Economics.

Lack of standardization and of a proper price differential for products of different market qualities are causing both producers and country buyers great financial losses, Mr. Potts says. The flat price basis of payment for cream and eggs, he declares, is not a sound economic basis for either producer or buyer as it offers no encouragement to produce quality products and obliges the buyer to take a loss on the poor grade goods which is made up in undue profit on the high quality product.

The producer of a can of cream or a case of eggs, he says, should not be obliged to take less than the market value in order that the buyer may pay some producer who has poor quality more than his poor quality product is worth.

LIVESTOCK CONDITIONS SIGNIFICANT  
IN FARM SITUATION.

Increased numbers of hogs on farms with prospects of a reduction in market supplies next winter, some increase in market receipts of lambs as compared with last year, and a gradual upward trend in beef cattle production are regarded as outstanding features of the agricultural situation by the Bureau of Agricultural Economics in its February 1 report on farm conditions.

There are more sheep and hogs, but fewer cattle and horses, than a year ago, according to the report. Computed on the basis of equivalent units, it appears there are about the same total number of animal units in the country as last year but the total value of livestock is about \$500,000,000 higher.

The swine industry opened the year with about 4,500,000 head more on farms than a year ago, with prices relatively low, and with little likelihood of a reduction in slaughterings until the present crop of pigs is worked off. The December survey suggested the probability of a pig crop in the Corn Belt about 10 per cent smaller this spring than last. This would mean a substantial reduction in market supplies by next winter.

Viewing the entire agricultural situation, the bureau says that "so far as concerns the production plans of farmers, the probability appears to be that the domestic market for this year's output will be equal to that at present, with the possibility of some improvement."

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ORGANIZATION IS REGARDED AS  
NEED OF HONEY INDUSTRY.

Further development of cooperative marketing among beekeepers, and establishment of an aggressive merchandising policy to place honey among the Nation's leading food industries are suggested by the Bureau of Agricultural Economics following a survey of market outlets and demand for honey made by A. W. McKay and M.P. Rasmussen.

Unless honey is standardized, say the investigators, it will be difficult to extend greatly the demand for the product. Honey must be sold either on the basis of consumer demand or by price-cutting, but price-cutting is likely to lead to the packing of inferior honey and the loss of what is already a poor market. Education of the public relative to the healthfulness and food value of honey offers one solution. Such education will probably have to take the form of advertising campaigns adjusted to local, State, or sectional needs. There are obvious difficulties, however, in undertaking an advertising program, in part because of the generally unorganized condition of the industry.



NEW YORK CALLS ATTENTION  
TO APPLE GRADING LAW.

The following circular letter was sent out recently to packers, commission merchants and dealers in apples in New York State, by R. D. Van Buran, director, Bureau of Plant Industry of the State Department of Agriculture and Markets:

"Under the apple grading law passed by the last legislature, apple grades practically identical with grades promulgated by the United States Department of Agriculture were promulgated by Commissioner of Agriculture and Markets, Berne A. Pyrke. The law requires that all apples sold, offered for sale or transported for sale in closed packages, must be branded with the name and address of the packer, also with the grade, minimum size, variety and quantity of apples packed within the package. Also, the face or shown surface of either open or closed packages sold, offered for sale or transported for sale, must be an average of the entire contents of the package as to color, quantity and size.

"The law is a selling law rather than a packing law and if apples within closed packages are below the grade or size branded thereon, even if this is due to deterioration in quality since originally packed, the seller must see that they are rebranded a lower grade, to which the contents will conform. Failure to do this is a violation on the part of the seller even if he were not a party to the original packing of the apples in question.

"Please notify parties shipping apples in closed packages to you for sale, or from whom you are purchasing packed apples, to comply with this law. Also see to it that the packages of apples sold by you are packed and branded in such a manner as to fully comply with the law. The seller, under the law, can be held responsible for the sale of misbranded or overfaced apples, even if said apples are packed in other states."

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GEORGIA AGRICULTURE COMMISSIONER  
URGES USE OF SURPLUS PRODUCTS.

Utilization of surplus Georgia products and the development of foreign markets are being urged by Eugene Talmadge, Georgia Commissioner of Agriculture. A few hundred dollars spent in South America, Canada, Mexico, and across the ocean, he says, would open lines of trade that would bring millions of dollars into the State. The expenditure of \$265 by the Bureau of Markets is reported to have opened trade relations with the packers of Cuba and the hog raisers of Georgia.

"The best disposition of surplus fruit is to manufacture it into salable products, such as vinegar, jelly, and extracts," Commissioner Talmadge said. "Dried fruit also is a profitable way to take care of the surplus. We need manufacturing plants to handle staple crops here at home without shipping them across the United States to be manufactured and shipped back to us and to other parts of the world."

COOPERATION DIVISION DRAFTS FORM  
OF BY-LAWS FOR ELEVATOR ASSOCIATIONS.

The Division of Cooperative Marketing, U.S. Department of Agriculture, has prepared a suggested form of by-laws for a cooperative farmers' elevator association with the thought that it may be of use to those who are considering the revision of their present by-laws, the reorganization of such an association, or the formation of a new one. Before adoption the suggested form should be compared with the statute under which the association is formed to ascertain if it is entirely in harmony therewith.

Copies of these by-laws may be obtained on request from the Division of Cooperative Marketing, Washington, D.C.

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SURVEY REVEALS BENEFITS AND LIMITATIONS  
OF PARCEL POST MARKETING.

The benefits and limitations of parcel post marketing of farm products as disclosed in a study of the operation of this form of selling over a period of fourteen years are set forth by the Bureau of Agricultural Economics in a publication, "Marketing Farm Products by Parcel Post," just issued by the United States Department of Agriculture.

The new bulletin includes information on the parcel post regulations and requirements, the ways and means of making contact between producers and customers, the necessary business attitude and management of the business, and the factors limiting parcel post marketing.

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MACHINE FARMING CUTS  
DEMAND FOR HIRED HANDS.

Continued expansion of machine farming, especially the use of the combine harvester in the Great Plains winter wheat area, is having a marked effect in reducing the demand for farm hands, according to the Bureau of Agricultural Economics.

"Last year," says the bureau, "was the first time since 1922 that the farm wage average for the year has shown a decline from the year previous. This decline may be accounted for in part at least by the larger supply of labor available as a result of the smaller volume of industrial employment and the decreased demand both in the South, where there was a smaller acreage of cotton, and in the Great Plains winter wheat area, where the combine harvester is continuing to displace labor at harvest time."

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A STUDY OF FARMER ELEVATOR OPERATION IN THE SPRING WHEAT AREA has been issued in a multigraph report by the Bureau of Agricultural Economics, Washington, D.C.

Injury to Celery, by Freezing, in Transit.

W. H. Blodgett & Co. v. New York Central R. R. Co., 159 N.E. 45-  
Supreme Judicial Court of Mass., Dec. 5, 1927.

This is an action by the consignee of a shipment of celery to recover damages arising from its injury by freezing while in transit between Rochester, N. Y., and Worcester, Mass. The celery was shipped in a refrigerator car, and upon arrival in Worcester a portion of it was found to be damaged by freezing. The car was the standard refrigerator type and was in good condition. It appears that such cars are used in cold weather because the heavy insulation tends to exclude the cold. While the cars may be heated, no provision therefor was made in this case.

The bill of lading was of the standard form, approved by the Interstate Commerce Commission, under which the railroad company acknowledges receipt of the merchandise subject to the classifications and tariffs then in effect. The classification containing carrier's schedule of rates, etc. also contains a provision that the carrier is not obliged to furnish heated cars for freight, except under conditions which the carrier's tariffs provide, and that any necessary stoves or fittings, together with fuel, must be furnished by the shipper. In the decision it is stated: "It is manifest that at common law the defendant cannot be charged with liability merely because heat was not furnished to protect the celery," in discussing cases cited by plaintiff in support of its contention that the carrier was liable. The following quotation also was made from the decision in the case of *Swetland v. Boston & Albany R. R.* - 102 Mass. 283:

"If the owner of the goods which are liable to be injured by freezing chose to send them at a season of the year when they are exposed to such a risk, he takes the risk himself."

Numerous other cases were cited in support of the contention that a carrier in the absence of an agreement, is not bound to heat cars to protect perishable goods from freezing. Especially is this so in view of the provision in the classification containing the schedule of rates, etc., which expressly states that stoves used in cars must be furnished by the shipper, who must provide a man to take care of the fires, and that he and the heating appliances will be carried without charge.

Quoting further from the decision:

"The plaintiff was entitled under the tariff to heat the car if it chose to do so. As it did not avail itself of that privilege, it took the risk of injury to its goods by freezing, and for the reason stated cannot charge the defendant with liability. The decisions of both the federal and state courts are decisive against the contention of the plaintiff."

"It results that judgment must be entered for the defendant."

H. F. Fitts



IN CONGRESS:

S. 1413, by Senator Mayfield, to prohibit predictions with respect to cotton prices in any report, bulletin or other publication issued by the Department of Agriculture, or the Department of Commerce, and for other purposes, has passed the Senate.

H. R. 9040, by Mr. Perkins, to establish the standard for weights and measures for the following: Wheat-mill, rye-mill and corn-mill products, namely, flours, semolina, hominy grits, etc., and for other purposes, reported out of the House Committee without amendments.

New Bills:

H.R. 10249, by Mr. Vinson of Georgia, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges and for other purposes.

H.R.10377, by Mr. Purnell, to provide for the eradication or control of the European corn borer.

H.R.10303, by Mr. Fulmer, to provide for the use of net weight in interstate and foreign commerce transactions in cotton, to provide for the standardization of the covering for cotton, and for other purposes.

H.R.10491, by Mr. Williamson, to provide for aided and directed settlement on Federal reclamation projects.

H.J.Res. 190, by Mr. Romjue, calling upon the President of the United States to reduce the tariff on materials and commodities essential to and generally used by the agricultural population of the United States in carrying on the farming industry, and for lessening the burdens now imposed upon Agriculture.

H.R.10151, by Mr. McFadden, to amend section 9 of the Federal reserve act.

H.R.10168, by Mr. Dallinger, to amend certain sections of the act entitled "An act for the retirement of employees in the classified Civil Service, and for other purposes."

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CHARTS OF COOPERATIVE MARKETING AND PURCHASING ASSOCIATIONS, showing growth and status in 1925, are published in a mimeograph report by the Bureau of Agricultural Economics, Washington, D. C.

# STATE AND FEDERAL MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Feb. 15, 1928.

Vol. 8, No. 7.

### NEW YORK TO INVESTIGATE MILK SUPPLY AND MARKETING.

An investigation of the problem of furnishing the ever-increasing population of the New York metropolitan district with an abundant and economical supply of milk has been started by Cornell University Agricultural Experiment in cooperation with the New York Central Railroad. The investigation is in the charge of Professor H.A. Ross of the department of agricultural economics and farm management, in cooperation with E. H. Anderson of the agricultural relations department of the New York Central Railroad.

Each year an additional supply of 200,000 quarts of milk a day, or the production of approximately 30,000 cows, is required to take care of the increased needs of the New York metropolitan area. Although this market draws milk regularly from six States and Canada, the quantity available in November and December during the last two or three years has been barely adequate to meet the demand.

The aim of the investigation is to determine where and how the additional supply can be obtained most economically, without sacrificing any of the high quality for which New York City milk is noted. Scientific studies are being made to determine the possibilities of dairymen increasing their present production, and of changing time of the seasonal supplies so as to avoid an early winter shortage. The probability of general farms going into dairying will be considered, as well as the practicability of still further extension of the already wide limits of the milk-producing district.

Two years will be required to complete the study, but it is announced that results will be made public as rapidly as they are obtained.

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### ALABAMA TO INAUGURATE POULTRY MARKETING SYSTEM.

A State-wide system for marketing poultry will be inaugurated in Alabama this season with the assistance of county agents, county farm bureaus, the State farm bureau, and extension marketing specialists, the Alabama Extension Service has announced.

Poultry cars will be operated in every section of the State, each car to be started at a given point and loaded at additional points until it is filled with poultry, after which it will be rushed to market. Most of the poultry will go to the North and East, with New York the principal objective. Farmers and poultrymen will be paid on delivery at car door.

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Bur. of Agr. Economics Library,  
Room 307, Biéber Bldg.,  
Washington, D. C.

CONNECTICUT CAMPAIGNS FOR MORE  
FREQUENT MARKETING OF EGGS.

More frequent marketing of eggs instead of marketing but once a week is being urged by the Connecticut Department of Agriculture. Marketing once a week, says the department, causes a surplus on that day and tends to weaken prices. Merchants also are unable to supply their trade with native eggs during the day or two before the poultrymen market their product, with the result that western eggs are bought.

The department's records show that during the Month of March, 1927, more than 7,500,000 eggs were shipped into the city of Hartford alone. While Connecticut will probably continue for some time to be a large egg importing state, the department believes that imports can be materially checked through careful marketing of the native fresh product.

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MARKED CHANGES BEING MADE IN  
LIVESTOCK MARKETING METHODS.

Current developments in the cooperative marketing of livestock are having a far-reaching effect on the livestock industry, according to C. G. Randell, Division of Cooperative Marketing, U.S. Department of Agriculture.

These developments include the effect of motor truck transportation on local livestock shipping associations, the growth of cooperative livestock selling and purchasing agencies at central markets, the cooperative selling of livestock direct to packers and other buyers, and the movement of stocker and feeder cattle, sheep and hogs direct from the range to feed lots.

There now are approximately 3,000 livestock shipping associations in the United States and 2,000 other associations that handle livestock as a side line, Mr. Randall says. The majority of these associations were organized from 1918 to 1922 inclusive, primarily as a protest against the margins that local buyers were taking on livestock purchased from farmers. By 1923 the associations had passed the experimental stage and many of them were functioning as efficient business organizations.

The department is making a five-year survey of the local livestock shipping association. Thousands of records have been gathered for the years 1923 to 1925, inclusive. Completion of the survey is expected to produce valuable data on current trends in the local livestock shipping situation.

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U.S. STANDARDS FOR DEWBERRIES AND BLACKBERRIES (1928) have been issued by the Bureau of Agricultural Economics, U. S. Department of Agriculture.



FARMERS' ELEVATORS MUST  
SOLVE MANY PROBLEMS.

Although the farmers' elevator movement has made remarkable progress in the United States in recent years, more than 500,000,000 bushels of grain being sold by farmers' cooperative elevators last year, there are many serious problems which these elevators must solve if they are to maintain their present status, according to Lloyd S. Tenny, chief, Bureau of Agricultural Economics.

Chief among these problems, Mr. Tenny says, are (1) strengthening local organizations in the interests of permanency, (2) reduction in per bushel handling costs, and (3) adoption of safer business practices by local farmers' elevator companies.

Many local companies, he declares, are not organized on as sound and permanent a basis as they should be. Too many companies have no provision for retirement of the stock held by inactive members or for placing this stock in the hands of younger and more active patrons.

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TEST SHIPMENTS SHOW COTTON  
BAGGING SUPERIOR TO JUTE.

Test shipments of cotton bales to Germany and return to the United States, by the Bureau of Agricultural Economics, have demonstrated the superiority of cotton bagging as compared with jute, from a physical standpoint. Breaking strength tests were also made of the cotton bagging, the conclusions of the tests being that "from the viewpoint of durability, protection to the cotton and neatness, cotton bagging is a more suitable covering for the American cotton bale than is jute."

The use of cotton bagging for cotton, says the bureau, appears to depend upon the manufacture of a light-weight cotton bagging which can be sold in competition with jute bagging, and upon the sale of cotton on the basis of its net weight in the markets of the world, including local markets, to obviate the losses which would result from the use of a light weight bagging when settlements are made on the basis of gross weights.

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ONTARIO SEEKING TO EXPAND  
SHEEP INDUSTRY THERE.

Hon. John S. Martin, Provincial Minister of Agriculture, has announced in Ontario that "the Government would offer assistance to any farmers going into sheep". The Government will supply ewes and purebred rams to clubs of farmers in the different counties, payment to be made on a long-time basis.

VRIGINIA RETURNS PART OF  
INSPECTION FEES TO GROWERS.

A total of \$5,353.09 will be returned to producers and shippers of farm products in Virginia who voluntarily contracted with the Virginia Division of Markets for inspection of agricultural products last year on basis of grade, quality and condition at time of shipment. The cost of this service was estimated and those contracting for it made advances and paid fees to take care of the estimated expense. As the volume of products has increased, the cost per unit has decreased and at the same time the expense to the State for general supervision has been reduced, according to J. H. Meek, Director of the Division of Markets.

Products inspected in large volume include white potatoes, cabbage, apples, peaches and poultry. Other inspected products include sweet potatoes, cucumbers, spinach, strawberries, onions, tomatoes, mixed vegetables hay, wool and tobacco. Similar service is now being offered on eggs, cream, butter and peanuts.

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ECONOMIST GIVES ESSENTIALS  
FOR CREAMERY SUCCESS.

Declaring that the question of how, when, and where to build cooperative creameries can be answered only after a careful survey of production and marketing conditions, Tom G. Stitts of the U. S. Division of Cooperative Marketing outlines some of the economic factors which control the successful operation of such creameries.

"The first prerequisite for a successful creamery," Mr. Stitts says, "is a sufficient volume to permit economical operation. The curve of cost of manufacture indicates that in Minnesota, a creamery manufacturing from 400,000 to 500,000 pounds of butter annually is large enough to operate efficiently, and that there is no appreciable reduction in cost per pound for creameries running over a half million pounds."

Summarizing his remarks, Mr. Stitts declares that a creamery can be built when farmers are willing to support their organization with funds and with cream. Volume of production and good will of the membership are essential. The management must possess the skill required in private enterprises, and must have the ability to "sell" to the farmers the service of their own organization. The producer must be convinced that he has a proprietorship in the manufacturing and marketing of his products. The plant should be located with care as to the availability of cream and the suitability of the roads for economical hauling.

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MORE IOWA FARMERS are turning toward dairying each year and sections of the State are beginning to take an interest in this industry where formerly little dairying was practiced, according to the Iowa State College.

IN CONGRESS:

- S. 2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission under the Radio Act of 1927, has passed the Senate.

New Bills:

- S.Re. 142, by Senator Smit, \*\*\*To investigate the activities of the cotton exchanges\*\*\*Department of Agriculture and others\*\*\* with a view to determining whether there has been manipulation of the markets\*\*\*
- H.R. 10706, By Mr. Jones, to forbid forecasts or predictions of future cotton prices by Government officials.
- H.R. 10568, by Mr. Ketcham, to foster agriculture and to stabilize the prices obtained for agricultural commodities by providing for the issuance of export debentures upon the exportation of such commodities.
- H.R. 10562, by Mr. Hare, to establish a farm surplus board; to aid in the orderly marketing, control and disposition of surpluses of agricultural commodities.
- H.R. 10763, by Mr. Jones, relating to investigation of new uses of cotton.
- H.R. 10709, by Mr. Connally, for the prevention and removal of obstructions and burdens upon interstate commerce on cotton by regulating transactions on cotton futures exchanges.
- H.R. 10642, by Mr. Blanton, to aid agriculture by affording maximum utilization of low-grade cotton, and creating an embargo upon all raw jute, jute bagging, and products manufactured from jute.
- H.R. 10656 and 10762, by Mr. Jones, to place agricultural products upon a price equality with other commodities.  
By Mr. Kvale.
- H.R. 10764, by Mr. Kvale, and H.R. 10151, by Mr. McFadden, to amend the Federal Reserve Act.
- H.R. 10757, by Mr. Lankford, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.
- S. 3024, by Senator Brookhart, to provide for the establishment of Federal cooperative banks and a Federal cooperative reserve system.
- S. 3104, by Senator Trammell, directing an investigation of reclamation of swamp and overflowed lands and plans for Government cooperation.



RECENT PUBLICATIONS.

"Marketing Lower Rio Grande Valley Cabbage Crop, Summary of 1927 Season," mimeograph report by the Bureau of Agricultural Economics.

"Type-of-Farming Studies," mimeograph report by the Bureau of Agricultural Economics.

"Marketing Hay on Federal Standards," mimeograph pamphlet by the Bureau of Agricultural Economics.

"Cotton Bagging for Cotton," mimeograph report by the Bureau of Agricultural Economics.

"New York Live Poultry Exchange - By-Laws, Trading Rules, Inspection Fees, Live Poultry Grades," prepared in mimeograph by the Bureau of Agricultural Economics for consideration of trade committees working on plans for the operation of a Live Poultry Exchange in New York City.

"Standard Grades for Virginia Fire-Cured Tobacco, U. S. Type 21," issued by the Bureau of Agricultural Economics.

"Handbook of United States Standards for Beans," printed booklet issued by the Bureau of Agricultural Economics.

"Cooperative Marketing of Grain in Western Canada," Technical Bulletin 63 issued by the U.S. Department of Agriculture.

"The Agricultural Outlook for 1928," Miscellaneous Publication 19 issued by the U.S. Department of Agriculture.

"Agricultural Cooperative Associations, Marketing and Purchasing, 1925," Technical Bulletin 40 issued by the U.S. Department of Agriculture.

"Costs and Methods of Fattening Beef Cattle in the Corn Belt, 1919-23," Technical Bulletin 23 issued by the U.S. Department of Agriculture.

"Scouting, Quarantine and Control for the European Corn Borer, 1917-1926," Technical Bulletin 53, issued by the U.S. Department of Agriculture.

"The Bates Laboratory Aspirator," Circular 9, issued by the U.S. Department of Agriculture.

STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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Vol. 8, No. 8.

### SEED VERIFICATION SERVICE GIVEN NATION-WIDE SCOPE.

Farmers may now buy alfalfa seed, clover seed, and seed corn the origin of which has been verified by the United States Department of Agriculture. Sixty-one dealers in field seeds who handle approximately 90 per cent of the commercial seed supply of the United States have been enrolled in the service. These dealers are authorized by the department to issue verified-origin seed certificates for seeds covered by a United States inspection certificate.

The new service has been established by the department to protect buyers against misrepresentation as to the origin of any lot of seed. Each bag of seed the origin of which has been verified by the department will carry a verified-origin certificate tag. The certificate covers origin only; there is no Government guarantee as to germination, purity or variety. Department inspectors for this service have been stationed at Chicago, Minneapolis, Kansas City, Salt Lake City, San Francisco, and Washington, D.C.

Should a buyer have any question as to the authenticity and identity of any lot of verified-origin seed he may submit the matter to the Department of Agriculture by sending a 4-ounce sample and the tag to the Hay, Feed and Seed Division, Bureau of Agricultural Economics, U.S. Department of Agriculture, Washington, D.C., for examination and comparison with original sample and record.

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### IDAHO MAKING STUDY OF COMBINE OPERATION COSTS.

Comparison of operating costs of tractor-drawn and horse-drawn combines indicate an average saving of 49 cents per acre by using a tractor rather than horses as combine motive power, according to the Idaho University department of agricultural engineering.

Operating costs per acre with tractors varied from 27 to 88 cents and with horses from 58 cents to \$1.31 per acre. One of the chief points with the farmers concerned in favor of the tractor was that it makes possible working longer hours, and working at night.

The study is being made in the Palouse country and will be continued this year.

STEWART, DIRECTOR OF PENNSYLVANIA  
BUREAU OF MARKETS.

George C. Stewart is director of the Pennsylvania Bureau of Markets, vice P. R. Taylor who is now connected with the Dairymen's League. Mr. Stewart formerly was in charge of the grain market investigations of the Pennsylvania bureau.

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FARMERS INDICATE HOW COTTON  
CONSUMPTION CAN BE INCREASED.

That consumption of cotton could be substantially increased by the substitution of cotton for other materials in the manufacture of many articles used by farmers, is shown in a survey just completed by the Bureau of Agricultural Economics.

Fertilizer bags were specified by 174 farmers as articles in which cotton material might be substituted, and bags in which many other commodities are sold were mentioned frequently. Two hundred farmers suggested the use of cotton bagging for cotton. Other articles used on farms in which farmers believe cotton might be substituted include bags for meal, binder twine, feed sacks, grain bags, harness, horse collars, oat bags, onion bags, plow lines, potato bags, roofing and wall covering, rope, salt bags, seed bags, and wheat bags. Sixty different articles not made of cotton which farmers who use them might be made of cotton are listed, ranging from almond sheets and back bands to work shoes and writing paper.

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DISTRIBUTION CHARGES TAKE  
LARGE SHARE OF RENTAL PRICES.

Farmers received only 45 per cent of the retail price of food last year compared with 59 per cent in 1917, according to Dr. G. F. Warren of Cornell University. Dr. Warren says he sees no chance of reducing distribution charges because wages always remain high when prices fall. The agricultural depression is not due to surplus of food, he declares, but to the fact that the farmer is receiving a smaller share of retail prices because wages are high.

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CLEANER FOR SAMPLES OF GRAIN  
AND OTHER GRANULAR PRODUCTS.

A machine that is practically a vacuum cleaner for samples of grain and other granular substances is described in a recent United States Department of Agriculture circular entitled "The Bates Laboratory Aspirator."

The device was developed in the grain investigations office of the Bureau of Agricultural Economics for use in laboratory analyses of grain, flax, rice, seeds and similar substances.



GREELEY RESIGNS AS  
FOREST SERVICE CHIEF

Col. William B. Greeley, chief of the United States Forest Service, will resign May 1, 1928, to accept a position with the West Coast Lumber Manufacturers Association. Maj. R. Y. Stuart, now assistant forester in the Forest Service in charge of public relations, has been appointed to succeed Colonel Greeley.

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SAVINGS POSSIBLE IN HANDLING  
AND TRANSPORTING MILK.

It is possible to save ten million dollars a year for the dairy industry of New York State by reducing the cost of handling milk, by handling it in local plants, and by greater efficiency in transporting it to the city, according to G. W. Slocum, president of the Dairy-men's League Cooperative Association.

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NEBRASKA FARMERS TO  
START COOPERATIVE SCHOOL.

Organization of a training school for cooperative employes was authorized at a meeting of the Nebraska Farmers' Union in Omaha last month.

This school will be the fourth to be established in this country to train men and women in the technical problems of co-operation which give courses pertaining to consumer cooperation. The other three are the Eastern States School to be held in New York in April of this year, the Central Exchange School at Superior, Wisconsin, in September and October and the Northern States School, the date of which is yet to be determined.

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FATTENING BEEF CATTLE IN  
CORN BELT HAS ADVANTAGES.

Besides improving the condition of a large number of cattle from the range, the fattening of steers in the Corn Belt tends to equalize the number of cattle slaughtered at different times of the year, according to the U. S. Department of Agriculture in a new bulletin entitled "Costs and Methods of Fattening Beef Cattle in the Corn Belt." Numerous other advantages are listed in the bulletin which has been designated as Technical Bulletin No. 23-T.

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IN CONGRESS:

- S. 1414, by Senator Mayfield, for the prevention and removal of obstructions on interstate commerce. (Cotton seed oil, future trading), was reported out of the Senate Committee with amendments.
- S. Res.142, by Senator Smith, \*\*\*to investigate the activities of the cotton exchanges\*\*\*Department of Agriculture and others\*\* with a view to determining whether there has been a manipulation of the markets\*\* with amendments has been agreed to by the Senate Committee.

New Bills:

- S. 3223, by Senator McNary, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture. A similar bill (H.R.11074) was introduced by Mr. Ketcham.
- S. 3247, By Mr. Norbeck, to amend the definition of oleomargarine contained in the act entitled "An act defining butter; also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine." A similar bill (H.R.10958) was introduced by Mr. Haugen.
- H.R.11017, by Mr. Vinson of Georgia, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges.
- H.R.10961, by Mr. Goldsborough, to amend an act entitled "An act for the retirement of employees in the classified Civil Service."
- S. 3241, by Mr. Neely, to amend the Federal farm loan act, as amended.

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INSPECTION OF HAY AND STRAW (Rules and Regulations of the Secretary of Agriculture) has been issued in mimeograph by the Bureau of Agricultural Economics.

AGRICULTURAL RELIEF, a Selected List of References, mimeographed by the Bureau of Agricultural Economics.

CLEARING LANDS UNDER CORN BORER QUARANTINE.

Van Gunten v. Worthley, 159 N. E. 326,  
Court of Appeals of Ohio, Lucas County, June 20, 1927.

(While not involving marketing features, this case, it is believed, will be of general interest. It upholds the right of the state to take action necessary to prevent the spread of insect ravages and to determine the steps to be taken in connection with the growing crops in an infested region.)

It appears from the petition of plaintiff Van Gunten that he owns certain real estate in Adams township; that the defendant Worthley, who is administrator of the European corn borer control, unless enjoined, is about to plow up, without compensation to plaintiff, 18 acres planted in wheat; that this field is one in which corn previously was grown and that plaintiff was unable to find corn borers thereon. Plaintiff prays that the defendant may be enjoined from plowing up and from interfering with his wheat crop.

The evidence shows the allegation to be true except that corn borers were found in great numbers in the corn stalks left on the ground. Expert testimony given at the trial outlined the breeding habits of and the devastation wrought by the corn borer, with a description of its development; that while the borer chiefly infests the stalk, it also attacks other parts of the corn and at times other plants; that it was introduced from Europe and was discovered in 1917, since which time its spread has been rapid; that unless something is done to check its ravages corn growing in the United States will ultimately become an impossibility; that no chemical has been found efficacious in the attempts to destroy the borer; that the only method now known to check the insect is the timely destruction of the plant which it infests; that recognizing this condition the General Assembly and State Department of Agriculture of Ohio have organized to that end.

In 1925 the State Director of Agriculture under authority of sections 1128 and 1132 of the General Code issued regulations establishing a quarantine of various northern countries. On March 3, 1927 (112 Ohio laws, page 83) the General Assembly passed an emergency measure providing for quarantine and control of the European corn borer. Under that act it is unlawful to deny access to agents of the Department of Agriculture to any premises necessary to be entered to enforce the provisions of the act and it makes violation of the act a misdemeanor, punishable by fine (see section 5 of act).

Under the provisions of Section 5 an inspector of the Department of Agriculture of Ohio verbally ordered plaintiff to clean up the wheat field in question by raking, and to haul the corn stalks away and burn them. Plaintiff undertook to comply with the order, but later decided he could not clean up entirely and therefore quit work.



He later was given written notice to plow the wheat under completely. Thereupon plaintiff filed the action in the trial court.

Plaintiff contended that defendant had no power to cause the crop of wheat to be plowed under in order to destroy the borer. On this point the opinion states: "It is well established that laws enacted to preserve the food supply by preventing the spread of infection of trees, orchards and crops which are reasonable in their nature are within the police power of the state. And laws of that character, providing for the destruction of property to prevent the spread of disease among animals, have been held valid where reasonable, although provision was not made for compensation." Further, there was quoted a magazine article indicating the great menace of insects to the food supply.

In discussing the police power, which is one of the limitations subject to which the owner of property holds title thereto, the following quotation (198 P. 377) was made:

"It has been defined as an inherent power in the state which permits it to prevent all things harmful to the comfort, welfare and safety of society. It is based on necessity. It is exercised for the benefit of the public health, peace and welfare. Regulating and restricting the use of private property in the interest of the public is its chief business. It is the basis of the idea that the private individual must suffer without other compensation that the benefit to be received by the general public."

Other cases in point were quoted, with approval.

As to the order to plaintiff to plow up his field, it is stated that its validity depends upon whether it was reasonably necessary to plow up the field even though the Department of Agriculture had the power so to do. Continuing, the court indicates its belief that the corn stalks may be cleaned up from the field and thus save the valuable wheat crop; that in accordance with these views plaintiff has expressed a willingness to clear up the stalks and has made arrangements with the Department of Agriculture to do the work. In conclusion it is stated:

"We believe, however, that much of the trouble in executing the laws in question and carrying out the orders and regulations of the department of agriculture has come from a want of understanding, which will pass away as human beings realize the imperative necessity to join together in a determined cooperation to eradicate and stamp out this evil which threatens to destroy an important part of the food supply."

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

Feb. 29, 1928.

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★ MAR 7 1928 ★

U. S. Department of Agriculture

### MARKET NEWS OFFICE ESTABLISHED AT NEWARK, NEW JERSEY.

Establishment of a permanent market news reporting office at Newark, New Jersey, under cooperative arrangement between the United States Department of Agriculture and the New Jersey Department of Agriculture has been announced. The office is at 1216 Broad Street, Newark, with H. L. Harrington in charge.

The Newark office will issue the official weather reports and Newark carlot arrivals for the past 24 hours, cars on track and unloads. Official reports of the Potomac Yard passings are made available by telephone. Mr. Harrington also has charge of the carlot inspection service at Newark, similar to that maintained by the United States Department of Agriculture in New York, Philadelphia and other large cities.

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### ECONOMICS BUREAU SURVEYS FIELD OF COOPERATIVE MARKETING.

The remarkable development of agricultural cooperative marketing the last ten years, in size, number, form, and activity of farmers' associations, is shown in the latest publication by the United States Department of Agriculture, entitled "Agricultural Cooperative Associations, Marketing and Purchasing, 1925."

"The farmers' cooperative movement has changed materially in character since 1915," according to R. H. Elsworth, author of the bulletin. "There are still the local associations, but there are also large-scale associations engaged in selling and merchandising the farmers' products. Among these are 14 associations which sell cotton in the world markets; 24 cooperative organizations for the sale of livestock on terminal markets; 8 associations which sell wheat on the grain exchanges; 2 associations which market wool in large quantities direct to mills.

"Nearly 500 cooperative creameries have their own cooperative selling organization which deals directly with the chain stores and other retailers. The egg and poultry associations have their own sales agencies in the larger cities for putting their products in the hands of retailers and consumers of large quantities; the milk producers, through their own associations, determine prices jointly with the city distributors; a score or more of fruit and vegetable associations have organizations for merchandising their products in this country and abroad.





MILLS DEMAND HIGH-GRADE COTTON.

A demand by American mills for cotton of a higher average grade and staple length than that of the American crop, is reported by the Bureau of Agricultural Economics. The bureau's survey showed that of all lengths of cotton consumed by the mills studied, the strongest demand is for cotton 15/16 of an inch to 1 1/16 inch, Middling to Strict Middling in grade. Below 7/8 of an inch, consumption falls off rapidly, amounting to less than one per cent of the total consumption.

The bureau's cotton experts declare that the survey indicates that the best interests of most of the growers of American Upland short staple cotton would be served by producing varieties of cotton about 1 inch in length.

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HANDBOOK OF U.S. STANDARDS  
FOR BEANS AVAILABLE.

The United States standards for beans have been reprinted in convenient handbook form available for distribution by the Bureau of Agricultural Economics, U.S. Department of Agriculture, Washington, D. C. The handbook contains the grade requirements and definitions of 19 commercial classes of dry edible beans and an explanation of important features of the standards and their application by Federal licensed inspectors.

Federal inspection of beans on the basis of the United States standards is available at shipping points in Idaho, Montana, Wyoming, and Colorado, and also at San Francisco, Calif.; Salt Lake City, Utah; San Antonio, Texas; Atlanta, Ga.; New York City; Washington, D.C., and points adjacent to these cities.

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NEW JERSEY MAKING STUDY  
OF EGG MARKETING.

A survey of how locality and type of marketing affect egg prices is being made by the New Jersey Extension Service. Actual prices received for eggs during the last 10 years in each of several areas will be arranged in historical series and compared with prices in New York City and Philadelphia. The best marketing practices for each area will be determined, and recommendations made to guide poultrymen in egg marketing. The survey is being made by C.B. Howe of the department of Agricultural Economics.

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THE "AGRICULTURAL OUTLOOK" IS IN MOVIES, in a new two-reel picture entitled "What's Ahead?" just completed by the U. S. Department of Agriculture. The picture reveals how the "Outlook" is prepared and distributed.



MISSOURI HOLDING ECONOMIC  
CONFERENCES THIS MONTH AND NEXT.

Thirty-two agricultural outlook conferences are being held at convenient centers throughout Missouri, to run until March 10, by the Missouri College of Agriculture. Six thousand farm and business leaders have been invited to the conferences. The purpose of the conferences is to place before agricultural leaders all available information on such subjects as the trends in the general business and agricultural situation and the tendencies in production and demand.

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CROP ESTIMATING BOARD SHIFTS  
STATISTICIANS IN FIELD.

John S. Dennee, agricultural statistician for Maryland, will be transferred April to the State of Washington to take charge of the crop reporting work in that State, the Federal Crop Reporting Board has announced. Mr. Dennee has had wide experience in crop reporting work, for several years being statistician for Louisiana and later, for Georgia.

G. S. Ray, now in charge of the Washington office, will be transferred to Ohio to fill the vacancy made there by the resignation of C. J. West. S. R. Newell, now in charge of price work of the division in Washington, D. C., will be made statistician in charge of the Maryland office.

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MOVEMENT FROM FARMS  
CONTINUES LESS RAPIDLY.

A continued movement of population from farms to cities but at a less rapid rate than in preceding years is reported by the Bureau of Agricultural Economics. An increased movement from cities to farms is also reported.

The bureau estimates that 1,278,000 persons left farms last year, compared with 2,155,000 in 1926, and 1,900,000 in 1925. Offsetting this movement, 1,374,000 persons moved from cities to farms last year, compared with 1,135,000 in 1926, and 1,066,000 in 1925.

These figures show a net movement of 604,000 persons from farms to cities for the year, compared with 1,020,000 persons in 1926, and 834,000 persons in 1925. Only a small reduction, however, is shown in farm population, an excess of births over deaths bringing the population to 27,699,000 persons on January 1, 1928, compared with 27,892,000 on January 1, 1927.

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MORE THAN 2,500,000 BABY CHICKS will be produced this season under Pennsylvania Department of Agriculture supervision. For the convenience of buyers a list giving the name, address, variety of birds and number in flocks of 250 hatcheries and flocks has been compiled by the Pennsylvania Bureau of Markets, Harrisburg.





U. S. SUPREME COURT DECISION  
IMPORTANT TO FARM COOPERATIVES.

Federal and State laws declaring expressly or in effect that farmers' cooperative associations shall not be deemed monopolies, combinations, or conspiracies in restraint of trade, and that contracts made by such associations with their members are legal, are upheld at least by implication by the Supreme Court of the United States in a decision handed down February 20 in the case of the Liberty Warehouse Company versus the Burley Tobacco Growers' Cooperative Marketing Association.

This decision, says Secretary of Agriculture Jardine, is of far reaching importance because, in addition to validating Kentucky's cooperative marketing laws, it virtually upholds the Federal Capper-Volstead Act, section 5 of the Clayton Act, and the cooperative marketing statutes passed in forty-two States. In the Kentucky case judgment was affirmed against a warehouse company which bought tobacco from a member of the Burley Association, after being notified that delivery of the tobacco to it would constitute a violation of the member's cooperative contract.

Cooperative marketing acts, the United States Supreme Court indicated, promote the common interest, and provisions for protecting the fundamental contracts against interference by outsiders are essential to the plan. In the suit against the Liberty Warehouse Company, the Burley Association, which was incorporated under the Bingham Cooperative Marketing Act of Kentucky, recovered a penalty of \$500 prescribed by the act, because the warehouse company received and sold 2,000 pounds of the 1923 tobacco from a member of the Burley Association, although its attention had been called to the penalty provided for such action. This measure authorizes associations formed under it to recover the penalty mentioned "from any person, firm, or corporation conducting a warehouse within the State of Kentucky who solicits or persuades or permits any member of any association organized hereunder to breach his marketing contract with the association by accepting or receiving such member's products for sale or for auction or for display for sale contrary to the terms of any marketing agreement with an association." The association was successful in the lower court, and also when the case was appealed to the Court of Appeals of Kentucky.

In upholding the judgment the United States Supreme Court declared the State of Kentucky undoubtedly had power to authorize the formation of corporations with membership limited to farmers for the purpose of dealing in farm products. The Warehouse Company contended that the Bingham Act deprived it of the right to carry on business in the usual way by accepting and selling the tobacco of persons voluntarily seeking its services. Commenting on this contention, the United States Supreme Court said: "We need not determine whether the liberty protected by the constitution includes the right to induce a breach of contract between others for the aggrandizement of the intermeddler--to violate the nice sense of right which honorable traders ought to observe."

Referring to the general scheme of cooperative marketing involving the Cooperative Act of Kentucky and the Burley Tobacco Growers' Association, the court said: "Although frequently challenged, we do not find that any court has condemned an essential feature of the plan with the single exception of the Supreme Court of Minnesota." That court, in the case of the Minnesota





Wheat Growers' Cooperative Marketing Association versus Radke, 163 Minn. 403, 204, N. W. 314, declared unconstitutional a provision in the Minnesota Cooperative Act similar to that involved in the instant case, but in that case it should be noted the dealer who bought products from a member of the association was passive and apparently did not actively seek to purchase them and, so far as the opinion in the case shows, had no knowledge that the member was under contract with the association.

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Liability of Railroad for  
Condition of Perishable Products.

Fean et al v. Alabama Great Southern R. R. Co.

This case involves the shipment of perishable products by railroad and their receipt at destination in a damaged condition. It was decided by the Court of Appeals of Ohio, Hamilton County, on April 4, 1927, but only now is appearing in the Advance Sheets (159 N.E. 487).

The point upon which judgment apparently hinged was that of deterioration of perishables caused by the inherent nature of the product and the responsibility of the carrier under such conditions.

Fean, the plaintiff, delivered to defendant railroad at York, Alabama, a car containing 252 crates of strawberries, consigned to Cincinnati, and afterwards reconsigned to plaintiff at Columbus, Ohio. It was alleged that upon delivery to defendant the shipment was in sound condition and that upon delivery at destination it was in a damaged and deteriorated condition due to delay, defective equipment, and improper refrigeration. Judgment for damages in the amount of \$565 was asked. Defendant in its answer stated that if the strawberries on arrival at destination were in a damaged and deteriorated condition, such condition was due entirely to the inherent vice of the commodity and not to any negligence on its part. From the inspection certificate of the United States, introduced at the trial, it appeared that the damage was due to decay in rhizopus rot. The case was tried to a jury on the allegations of the petition that the car was defective, and that there was improper refrigeration. Judgment for defendant resulted. Upon appeal such judgment was affirmed.

One contention of plaintiff here was that the court's charge limited the common-law liability of the carrier as insurer; that under the common-law rule the defendant could only be excused a default when occasioned by the act of God or the public enemy. In commenting upon this point the court said: "An examination of the authorities leads to the conclusion that the rule of liability on the part of the carrier does not go to the extent of insurer in the carrying of perishables." Quoting from the case of American Express Co. v. Smith, 33 Ohio St. 511, 31 Am. Rep. 561: "A common carrier is not responsible for a loss of perishable property when that loss arises from the nature of the property itself." Other references were to the same effect.

H. F. Fitts



IN CONGRESS:

H. R. 10151, by Mr. McFadden, to amend section 9 of the Federal reserve act, has passed the House.

New Bills:

S. 3367, by Senator Walsh of Montana, to amend the United States Grain Standards Act requiring wheat standards to take account of the percentage of protein content in wheat.

H. R. 11414, by Mr. Summers of Washington, to authorize the Secretary of Agriculture to establish trading rules and business practices for handlers of and dealers in fruits and vegetables, to provide for a system of adjustment of disputes.\*\*\*

H. R. 11286, by Mr. Edwards, to establish a farm relief and finance corporation to aid in the orderly marketing, control, and handling of surplus agricultural products.

H. R. 11358, by Mr. Connally, to provide for the orderly marketing of the surplus of staple agricultural commodities through Federal agricultural export corporations and for the stabilization of the prices of such commodities through the issuance of export debentures.

S. 3304, by Senator Curtis, authorizing acquisition of a site for the farmers' produce market. A similar bill (H.R. 11332) was introduced by Mr. Cochran.

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RECENT PUBLICATIONS.

"Principal Sources of Information for the Agricultural Outlook for 1928", mimeograph by the Bureau of Agricultural Economics.

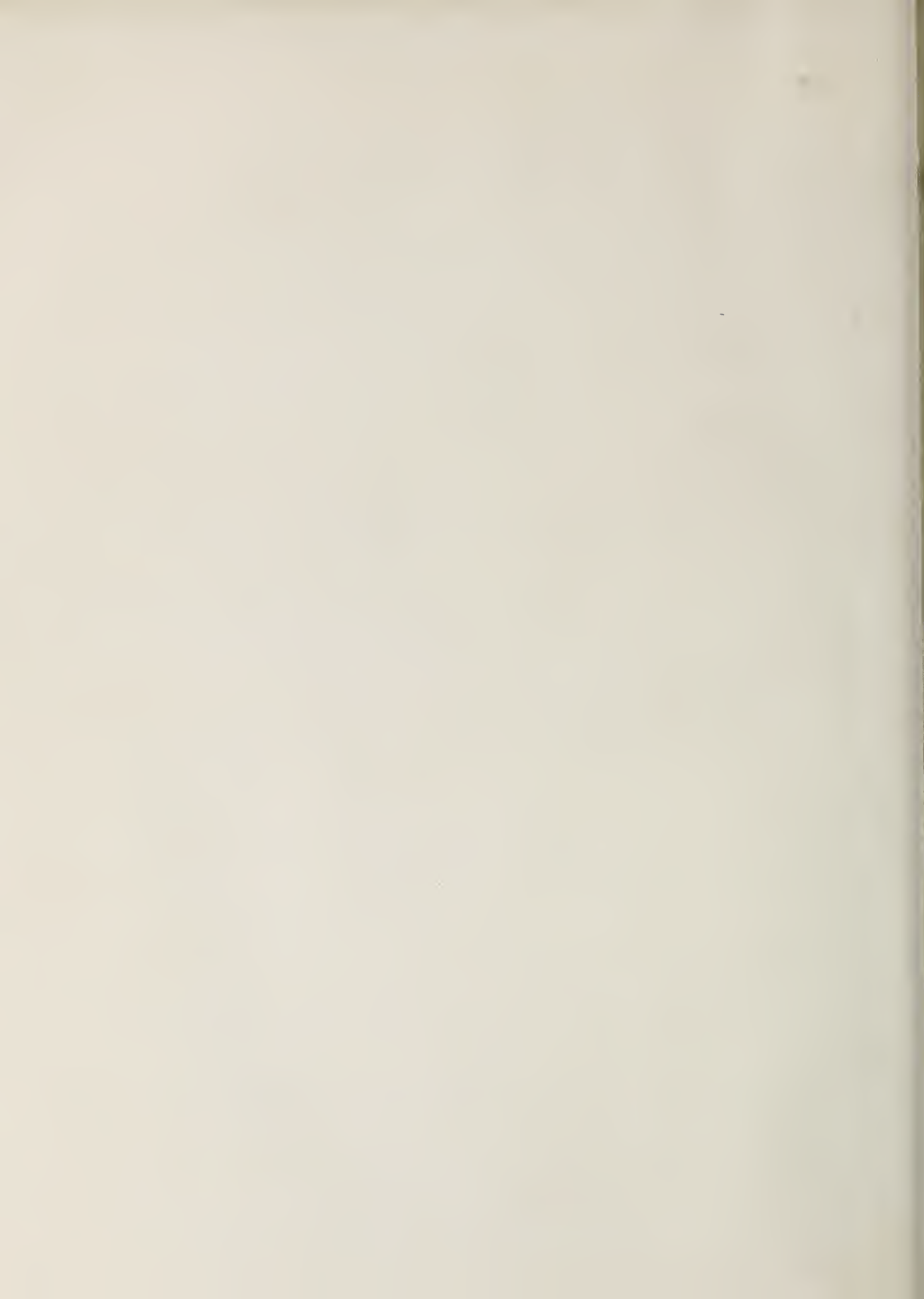
"Annual Summary Dairy and Poultry Statistics, 1927", mimeograph by the Bureau of Agricultural Economics.

"Vegetable Statistics, Year ended Dec. 31, 1926," Statistical Bulletin 22, United States Department of Agriculture.

"Cooperative Marketing of Livestock in the United States by Terminal Associations," Technical Bulletin 57, U. S. Department of Agriculture.

"Sheep Ranching in Utah," Bulletin 204, Utah Experiment Station, Logan, Utah.





STATE AND FEDERAL  
**MARKETING ACTIVITIES**  
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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MARKETING OFFICIALS OF ATLANTIC  
STATES TO MEET AT WASHINGTON, D.C.

A meeting of the Atlantic States Division of the National Association of Marketing Officials has been called at Washington, D.C., April 13, by J. H. Meek, Chairman of the Atlantic States Division. The meeting will be held in the conference room of the Bureau of Agricultural Economics, 1358 B. Street, S.W., and will convene at 9 a.m. on the 13th.

Mr. Meek has written all members of the Association interested in the meeting to make arrangements to be in attendance and take part in the discussions. The program will be largely round table discussions. All are expected to take part in these discussions, but men with recognized knowledge and ability to handle each subject will lead the discussions.

Subjects expected to be under discussion are the following:

Federal-State Shipping Point Inspection.

Federal-State Tobacco Grading.

Certification and Accreditation of Poultry Flocks and Hatcheries.

Benefits and Needs of Compulsory Laws for Grading and Marking Apples.

Need of Uniform Legislation by States for Grading and Marking Apples.

Application of Federal Apple Grades under Compulsory Marking Laws.

Standard Grades for Agricultural Products that meet Consumers' Demands.

Federal Produce Agency Act.

Clearing House Organization for Distribution of Agricultural Products.

Consumers Demand Study as Developers of Marketing.

Market News and Related Work.

Roadside Marketing.

Marketing Poultry in Carlots.

Some Examples of How Eggs May be Marketed on a Graded Basis.

Practical Market Service to Farmers.

Essential Needs for Future Success of Cooperative Marketing.

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COTTON SELECTED FOR STAPLE STANDARDS.

Representatives of cotton manufacturers, shippers' associations, and cotton exchanges met at Washington last week at the Bureau of Agricultural Economics, and completed the selection of cotton for use in making practical forms of staple standards under authority of the United States Cotton Futures and Cotton Standards acts. This work was begun at a similar meeting in Washington, January 16. Growers' organizations did not send representatives, but informed the bureau that they would be satisfied with any selections approved by the bureau.

### AMERICAN WOOL PRODUCERS FACING GOOD FUTURE.

American wool growers have an opportunity "to place their industry on the best financial basis in history," according to J.F. Walker, consulting specialist of the Federal Division of Cooperative Marketing, who has just completed a year's study of the wool industry on a trip around the world.

"Wool production in New Zealand, Australia, and South Africa," Mr. Walker says, "has reached the saturation point, and cannot be further expanded because of limiting climatic and geographic factors. Despite heavy increase in foreign production, world production apparently has not kept pace with consumptive demand."

The opportunities which Mr. Walker sees in this situation for American wool growers are in breeding sheep which will produce a type of wool the mill demands; breeding so as to produce wool uniformly instead of producing one kind of wool one year and another the following year; preparation of wool so as to command the most competition for it, and marketing wool with the same efficiency with which Australia, New Zealand, and South Africa are at present merchandising their wools.

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### FEDERAL-STATE TOBACCO SERVICE IS POPULAR.

The results of the tobacco grading service to date on the Lynchburg, Virginia market show that the service is gaining in popularity with the producers and is favorably looked upon by tobacco warehousemen and buyers, according to announcement by J. H. Meek, Director, Virginia Division of Markets.

"The tobacco grading service," he says, "was started as an experiment at the beginning of this season's market for Fire-cured tobacco. It is being conducted by the Virginia Division of Markets in cooperation with the Federal Department of Agriculture.

"No tobacco was graded during the first two weeks of the market, which started on November 1, 1927. During the third week a little over 2,000 pounds was graded, and during the last or fifteenth week of the market over 47,000 pounds of tobacco was graded.

"The service is attracting the attention of auction sales warehousemen and buyers on many of the southern markets. Many State marketing officials are considering the possibilities of such a service as a direct aid to farmers in marketing their tobacco and as a source of marketing information.

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U.S. STANDARDS FOR STRAWBERRIES (1928) have been issued by the Bureau of Agricultural Economics.



SIGNS OF SPRING SEEN  
IN AGRICULTURAL ACTIVITY

The agricultural industry is preparing for spring work, although the season is not so far advanced as it was at this time a year ago, according to the March 1 issue of the "Agricultural Situation" by the Bureau of Agricultural Economics.

Plowing and planting are going forward slowly in the South, and some cotton is in the ground around the Gulf, according to the report. A tendency to increase acreage of important truck crops is noted. Farmers in ten States report an intended increase of about 5 per cent in early potato acreage. The spring lettuce acreage is around 50 per cent larger than last year's, the increase being especially marked in Arizona and California.

"The winter marketing season is drawing to a close under varying circumstances," according to the report. "Corn has moved in large volume especially from the western Corn Belt and at rising prices. The expected heavy run of hogs has also materialized, with prices nearly \$4 per hundred pounds below last year's. The number of hogs slaughtered under February inspection during January was 21.4 per cent larger this year than last. The price ratio between corn and hogs is no longer in favor of the feeder.

"Larger stocks of potatoes were carried through the winter compared with last year and, for the most part, have moved out at lower prices, especially in the West. Eastern growers have had an encouraging year, if one may judge by their expressed intention to increase potato acreage by about 10 per cent this spring.

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VALUE OF COOPERATIVE COTTON  
GINS SHOWN BY FEDERAL ECONOMIST.

Improvement of cotton quality is one of the opportunities afforded cooperative cotton gins, according to James S. Hathcock, Bureau of Agricultural Economics economist.

The cotton cooperatives, he says, have accomplished much good in stimulating interest in cotton improvement, and now, with cooperative gins as possible centers for work of this kind, "they should be able to accomplish much more.

"The most signal success of independent cooperative gins has been achieved by a group of about 20 cooperative societies in northwest Texas. Georgia and Alabama have also entered the cooperative ginning field."

In 1912, according to Mr. Hathcock, there were 28,358 gin plants in the United States, and by 1925 there were only 18,262, a decrease of 10,096 plants. The total capacity of gin plants, however, has remained practically the same, the tendency being for gins to do a larger individual business. In all probability, he says, several thousand more gins may be abandoned during the next few years.

AGRICULTURAL APPROPRIATION BILL  
PASSES HOUSE OF REPRESENTATIVES.

The agricultural appropriation bill for the fiscal year ending June 30, 1929, passed the House of Representatives March 3. It will now be considered by the Senate Committee on Appropriations.

The bill, as it passed the House, carried a total for the Bureau of Agricultural Economics of \$5,548,280, an increase of \$449,529 over the current year. The increase of \$118,220 under Marketing and Distributing Farm Products includes \$68,220 for developing and extending the agricultural outlook work; \$10,000 for transportation studies; \$10,000 for research work on the factors affecting prices of farm products; \$5,000 for research work on livestock, meats and wool; \$5,000 for studies on eggs and dressed poultry; \$5,000 for formulating standards for alfalfa meal; \$10,000 for cotton ginning studies and \$5,000 for State cooperation in marketing work.

Under the Market News Service \$15,000 is for the purpose of establishing a livestock office at Sioux City, Iowa, and \$7,000 for the extension of the leased wire to Montgomery, Alabama, in cooperation with the State of Alabama.

An amendment was made to the appropriation bill which forbids the issuance of any prediction or forecast with respect to future prices of cotton or the trend of the same.

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TENNESSEE COOPERATIVE MARKETING  
SCHOOL A SUCCESS.

The school of cooperative marketing held at Jackson, Tennessee, January 18-20, was attended by over 400 agricultural leaders and farmers of the State. The school was conducted under the auspices of the College of Agriculture, University of Tennessee, in cooperation with the various marketing associations of the State and the Division of Cooperative marketing of the State and United States Department of Agriculture.

The program was designed especially for directors and employes of cooperative associations, county agents and agricultural teachers, bankers, farmers, and others directly interested in the operations of cooperative marketing organizations. Various phases of marketing were discussed, emphasis being placed on problems in business management and membership relations. The meeting was attended by officials and directors of farm bureaus and other marketing associations, Smith Hughes teachers, county agents and farmers.

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CHANGES IN PRICES OF NEW JERSEY FARM PRODUCTS as compared with the pre-war period, and their relationship to prices of non-agricultural products, are given in Circular 132, just issued by the New Jersey State Department of Agriculture. This circular is to serve as the basis for further monthly calculations in determining farmers' purchasing power, according to Secretary of Agriculture William B. Duryee.

BUSINESS METHODS MAKE  
FARM PROFITS GROW.

Under the caption "Business Methods Make Farm Profits Grow," the University of Wisconsin devotes 15 pages to agricultural economics in its annual report of the Director of the Wisconsin Experiment Station, designated as Bulletin 396, and entitled "Forward Steps in Farm Science."

Topics discussed in this chapter include, "Profit Factors on the Wisconsin Dairy Farm," "Better Markets Through Group Action," "Cooperative Creamery Research," "Wisconsin Farmers Demonstrate Marketing Skill," "Investigation of Cutover Land Taxation Policies," and "Farm Organizations in Wisconsin".

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WASHINGTON STATISTICAL CONFERENCE  
CLOSES THIS WEEK.

A conference on statistical methods, called by the Bureau of Agricultural Economics for the benefit of field statisticians, has been under way at Washington since February 13, when 15 men from as many States reported in Washington for special instruction in statistical technique and methods as applied to crop and livestock estimates. The conference closes this week.

Charles F. Sarle, statistician of the Washington office of the Division of Crop and Livestock Estimates, has had charge of the classes, assisted by other members of the division and leaders from other divisions in the bureau. A similar conference last year was so successful that it was decided to extend instruction to additional men from the field this year.

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MECHANICAL COTTON HARVESTERS  
DOING SATISFACTORY WORK.

Mechanical harvesting of cotton is now a practical farm operation well established on farms in northwestern Texas, according to the Division of Agricultural Engineering, U.S. Department of Agriculture.

One of the most promising pickers, according to a statement by the division, is of the spindle type which has been built for both horse and power operation. These machines do little damage to the cotton plant and are particularly adapted for use where the plant is large or where ripening extends over a considerable period.

While the mechanical harvesting of cotton is not yet beyond the experimental state, the division says, it is believed a good start has been made toward lessening harvesting costs through the use of machinery, and that by next year much further progress will have been made.



IN CONGRESS:

- H.R. 11074, by Mr. Ketcham, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture and acquiring and diffusing useful information regarding agriculture, was reported out of the Committee without amendment.
- H.R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco by the Department of Agriculture, was reported out of the Committee without amendment.
- H.J.R. 156, by Mr. Browne, authorizing the President to accept the invitation of the British Government to appoint delegates to the eighth International Dairy Congress to be held in Great Britain during June-July, 1928, and providing for an appropriation of \$10,000 for the payment of the expenses of the delegates has been approved by the President.
- H.R. 9040, by Mr. Perkins, to establish the standard of weights and measures for the following: Wheat-mill, rye-mill and corn-mill products, namely, flours, semolina, hominy grits, etc., has passed the House.
- H.R. 8298, by Mr. Stalker, authorizing acquisition of a site for the farmers' produce market, has passed the House.

New Bills:

- H.R. 11277, by Mr. Porter, to amend the act entitled "An act for the reorganization and improvement of the Foreign Service of the United States.
- H.R. 11579, by Mr. Jones, relating to the investigation of new uses of cotton.
- H.R. 11525, by Mr. Hope, to amend the Packers and Stockyards Act. (Relates to direct buying of livestock.)
- H.R. 11584, by Mr. Bell, to amend an act entitled "An Act for the retirement of employees in the classified civil service.

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STANDARD LABELS OR STAMPS FOR UNITED STATES HONEY GRADES have been issued by the Bureau of Entomology, U. S. Department of Agriculture. The bureau has also issued a chart covering grades for section comb honey.

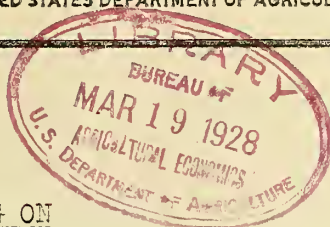
# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 14, 1928.

Vol. 8, No. 11.



### WISCONSIN ISSUES WARNING ON CHEESE GRADING VIOLATIONS.

Issuing a warning that the Wisconsin Department of Markets expects to enforce the laws and regulations under its jurisdiction with regard to the manufacture and marketing of cheese, Commissioner J. H. Vint has called the attention of the trade to what he has found to be the "most common violations":

They are:

1. Maker offering or Assembler receiving
  - (a) Cheese less than three days from the press or not sufficiently dry to be paraffined
  - (b) Cheese not bearing factory number or R.M. and P.K. dates.
  - (c) Cheese not bearing letters to distinguish between cheese made in different vats, where more than one is used.
2. Cheese paraffined but not graded.
3. The most frequent violation is placing the Wisconsin No. 1 stamp on cheese of Undergrade quality.

A cheese not meeting the legal requirements as to fat and moisture must be graded Undergrade, but grading such illegal cheese Undergrade does not legalize its sale, Commissioner Vint says.

All cheese must bear legible factory number and P.K. dates, regardless of whether the cheese has bandaged rind or not.

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### ECONOMICS BUREAU MAKING SURVEY OF PRODUCE MARKET PRACTICES.

A survey of produce market practices to be used in connection with the administration of the Produce Agency Act is being made by the Bureau of Agricultural Economics. The act makes it unlawful for commission men or other agents handling consigned produce in interstate commerce to make false returns, fraudulent reports, or dump produce which has commercial value.

The survey deals with commission merchants' methods of rendering account sales, systems of bookkeeping, methods of averaging returns on shipments, and trade practices as between commission merchants and shippers. Members of the produce trade are cooperating with the bureau and are opening their records and accounts for examination by the Government investigators. Opportunity is also being afforded the bureau to work with the trade in adjusting some of the practices that have made for unsatisfactory conditions heretofore.

D. C. C. Stine,  
 Bureau of Agr'l Economics,  
 Dept. of Agriculture,  
 Washington, D. C.

SERVICE ORGANIZATION PROPOSED  
IN COOPERATIVE LIVESTOCK PROGRAM.

A national service organization in the development of a cooperative livestock marketing program is recommended by C. G. Randell, of the Bureau of Agricultural Economics, following a nation-wide survey of the cooperative marketing of livestock by terminal associations.

"Such an organization," Mr. Randell says, "should include as members all the efficient cooperative livestock marketing associations. The association would serve to coordinate and strengthen the cooperative movement in livestock marketing and would tend to eliminate the elements of competition among the various cooperative groups. Federation of the marketing associations for a given commodity on a national scale has been carried out successfully in Canada and in some other countries, and it is believed by these cooperative groups that the plan has important advantages."

Results of the survey which covers the whole field of cooperative marketing of livestock by terminal associations have been published in Technical Bulletin No. 57-T, "Cooperative Marketing of Livestock in the United States by Terminal Associations."

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GRAIN HARVESTED AT LOWER COST  
WITH COMBINE-SOME DISADVANTAGES.

Grain harvesting with the combined harvester-thresher in localities adapted to that method has advantages that far outweigh its drawbacks, according to the United States Department of Agriculture. Studies have shown that the most important of these advantages, the relative cheapness of combine harvesting, is the principal reason for the growing popularity of the machine. After allowing customary rates for labor, fuel, repairs, and tractor use, the per acre cost of harvesting and threshing with the combine is approximately \$1.50, compared with \$4.22 where the binder is used and \$3.36 where the header is used on large acreages. The moisture problem is the chief disadvantage, but this problem can be largely solved by delaying harvest until the grain is dry or by artificial drying of the grain. Humidity and risk from hail and wind are regarded as less serious obstacles east of the Rockies than was formerly supposed.

Other points to bear in mind in combine operation, says the department, include the first cost of the machine and the acreage available for harvesting. Many farmers are kept from buying combines by their high first cost. Prices range from about \$1,000 for the small-sized combine to \$2,500 for the larger units, and farmers estimate the machine's average life at eight to ten years. Repair expense is higher on the combine than on other machines. Nevertheless, thousands of farmers east of the Rockies have decided that it pays to put money into combine harvesters.



POULTRY IMPROVEMENT TRAIN  
TOURS MARYLAND.

The University of Maryland, Maryland State Poultry Association, Baltimore & Ohio Railroad, American Railway Express, and the U.S. Department of Agriculture cooperated in operating a special train, March 5 to 10, designed to promote and improve the poultry industry of the State.

The train consisted of lecture and exhibit cars carrying educational exhibits stressing better breeding, brooding and rearing, housing and marketing. A car of live birds furnished by leading breeders of the most popular breeds of poultry was a feature of the train.

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IOWA REPORTS MANY ECONOMIC  
PROJECTS UNDER WAY.

The following economic and farm management projects are reported under way by the Iowa Experiment Station:

1. Economic Investigation of the Marketing of Iowa Livestock.
  - a. Economic Investigation of Cooperative Livestock Shipping Association in Iowa.
  - b. Study of Direct Shipping and Direct Selling of Livestock to Packers as Practiced by Cooperative Associations and other Agencies.
2. Economic Investigation of the Grain Trade in Iowa.
  - a. Economic Investigation of Farmers' Elevators in Iowa.
  - b. Economic Investigation of the Corn Trade of Iowa with Special Reference to Corn Surpluses (Purnell).
3. A Study of Agricultural Land Problems in Iowa.
  - a. Farm Tenancy in Iowa.
  - b. A Study of Iowa Farm Land Values.
4. Studies in Farm Organization and Management
5. Cost of Production Studies.
6. Type of Farming Studies.
7. Investigation of Agricultural Credit in Iowa.
8. Economic Investigations of Manufacturing and Marketing of Iowa Dairy Products.
9. The Transportation of Iowa Agricultural Products.
10. The Socialization of Iowa Rural Communities.
11. Rural Population Studies.
12. An Economic Study of the Marketing of Iowa Poultry and Eggs.
13. An Economic and Engineering Study of Corn Production Methods in Iowa.

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A HANDBOOK OF OFFICIAL STANDARDS for Milled Rice, Brown Rice, and Rough Rice, has been issued by the U. S. Department of Agriculture, Washington, D.C.

PURDUE FINDS THAT CORN FED  
TO HOGS PAID OVER FIVE YEARS.

Farm records in Central Indiana during the five years 1922-26 show that hogs returned 97 cents per bushel for the corn consumed, whereas if this corn had been sold at the time it was fed it would have brought only 64 cents, according to G. E. Young, of the Purdue farm management department.

Farmers who stay in the hog business year after year are able to produce at lower cost than the "in and out" hog producer, he says. Farmers using the two-litter system of hog production have been able to produce pigs for the high seasonal markets of September and April at greater profit than farmers who have fed more limited rations to their spring and fall pigs and marketed at the low seasonal markets of December and June.

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MANY FEDERAL PUBLICATIONS AVAILABLE  
ON FARMERS' COOPERATIVE ASSOCIATIONS.

A list of publications available for distribution by the U. S. Department of Agriculture regarding Farmers' cooperative associations contains more than sixty titles. They cover investigations of cooperative marketing by the department over a period of more than ten years, the more recent publications including "Membership Relations of Cooperative Associations (Cotton and Tobacco)", "Demand, Marketing, and Production of Oregon and Washington Prunes," "Some Economic Aspects of the Marketing of Milk and Cream in New England," "Joint Use of a Sales Organization by Two Cooperative Associations," "Cooperative Marketing of Grain in Western Canada," and "Cooperative Marketing of Livestock in the United States by Terminal Associations."

Bulletins relating to cooperative organization include "Dairy Herd Improvements Through Cooperative Bull Associations," "Cow Testing Associations, and Stories the Records Tell," and other publications. Recent preliminary reports include "Practices and Costs of Cotton Gin Operation in a Selected Section of North Carolina," "Beginnings of Dairy Organization," and "Development of Cooperative Cotton Gins in Northwest Texas." Numerous addresses are available in mimeographed form, as given by Secretary Jardine, Dr. H. C. Taylor, Chris L. Christensen, and others. Miscellaneous publications include many titles regarding legal phases of cooperative marketing.

A complete list of the publications is available upon request to the Bureau of Agricultural Economics, Washington, D. C.

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THE POULTRY INDUSTRY, a Selected List of References on the Economic Aspects of the Industry, 1920-27, has been issued by the Bureau of Agricultural Economics as Bibliography No.24. .

HAIL INSURANCE PAID ONLY UPON LAND  
LISTED IN ACCORDANCE WITH LAW.

State ex rel. Schmidt v. Helgersen,  
Supreme Court, So. Dak. February 4, 1928 (217 N.W. 638)

Helgersen instituted proceeding in mandamus to compel Schmidt, as State Insurance Commissioner, to pay claim for damages to his crop caused by hail. The Commissioner resisted payment for the reason that the land upon which the damaged crop was growing had not been listed for hail insurance, and, therefore, that there was no liability on the part of the State for the loss. The court denied the writ of mandamus. Upon appeal by plaintiff, judgment was affirmed.

It appears that after the crop was destroyed by hail, the claimant notified defendant of the loss and requested payment. Assuming that the crop was insured, defendant had the crop examined and adjudged it a total loss. Later on he learned that the land had not been listed for hail insurance and refused to pay the loss. The assessor then filed with the auditor a supplemental report listing the crop for hail insurance, but this was not done until about four months after the loss had occurred.

Appellant contended that crops are automatically insured whether listed or not, and that there is no statutory provision or requirement to the effect that the land-owner must perform any specific act in order that his crop may be insured.

Referring to the Law of 1921, as amended in 1923, it is stated in the opinion that it "makes it the duty of each person so assessed to report to the assessor the number of acres as defined by this Act when and as often as said land is assessed. If this means anything at all it means that the crop owner must have sufficient interest in the matter to see to it that his land is listed with the assessor or with the auditor so as to become chargeable with the hail insurance tax."

Appellant pointed out that his land was listed for hail insurance for the preceding season, and, therefore, continued automatically to be insured. The section of the law applicable to this case, however, was set out in the opinion; it provides that complete listing of acreage in crops, or to be planted to crops, must be made annually by the assessor, and that such return shall be the basis for computing the premium for hail insurance. In commenting further upon the provisions of the law, the court stated:

"Whatever may be the meaning of this section, it does not excuse the crop owner from listing his land if he wishes his crop insured. We have already held, and we think correctly, that the crop is not insured unless it is listed by someone with authority to list it so that the land on which the crop is growing is subject to the hail insurance tax."

H. F. Fitts.



IN CONGRESS:

- S. 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities, has been reported to the Senate by Committee (Report No.500).
- H.R.7459, by Mr. Morgan, to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards and for other purposes, has passed the House.
- H.R. 53, by Mr. Gilbert to provide for the collection and publication of statistics of tobacco by the Department of Agriculture, has passed the House.
- H.R.11579, by Mr. Jones, relating to the investigation of new uses of cotton, has passed the House.
- S.2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission under the Radio Act of 1927 and for other purposes, has been reported to House by Committee (Report No.839).
- S. 2864, by Senator Curtis, to establish the standard of weights and measures for the following, wheat-mill, rye-mill and corn-mill products, has been reported out of the Senate Committee (Report No.482).
- S. 1093, by Senator Caraway, to prevent the sale of cotton and grain in future markets, has been reported out of the Senate Committee. (Report No.497)
- S.Res.51, by Senator McNary, requesting the Secretary of Agriculture to report to the Senate his views as to whether the insurance of the farmer by the Federal Government against droughts, floods and storms would be consistent with sound Governmental and economic policy, has been agreed to by the Senate.
- H.J.Res.204, by Mr. Elliott, providing that the Secretary of Agriculture be directed to give notice that on and after January 1, 1929, the Government will cease to maintain a public market on Pennsylvania Avenue between 7th and 9th Streets, Northwest, has been reported out of the House Committee (Report No.854).

NEW BILLS:

- S. 3575, by Senator Capper, to amend the Grain Futures Act.
- S. 3508, by Senator Pine and H.R.11806, by Mr. Stong, to amend the Federal Reserve Act.

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Vol. 6, No. 12.

## FARMERS PLANNING TO INCREASE ACREAGES.

A substantial increase in the total acreage of crops is to be expected this season, weather conditions permitting, according to the report on planting intentions issued by the U. S. Department of Agriculture. The 50,000 farmers who have reported to the department the acreages of various crops which they intend to grow this year plan to increase their acreages of main crops (exclusive of cotton, for which there are no reports) by more than 3 per cent, the larger increases being in those sections of the Mississippi Valley where wet weather or flood conditions interfered with planting last spring. The tendency toward an increased acreage appears to be now more general than in any of the past five seasons, except in 1925.

The following "intentions" were reported to the department:

All spring wheat.....	1.5	per cent	decrease
*Durum wheat.....	14.9	" "	increase
*Other spring wheat.....	7.9	" "	decrease
Oats.....	1.4	" "	"
Rice.....	11.3	" "	"
Tame hay.....	1.4	" "	"
Corn.....	2.8	" "	increase
Barley.....	23.9	" "	"
Flaxseed.....	14.3	" "	"
Grain sorghums.....	2.3	" "	"
Potatoes.....	11.9	" "	"
Sweet potatoes and yams.....	5.5	" "	"
Tobacco.....	15.7	" "	"
Peanuts.....	12	" "	"

\*Includes only the four States of Minnesota, North Dakota, South Dakota, and Montana.

The department has issued a supplementary outlook report following an analysis of farmers intentions-to-plant in which the department says:

"Farmers should guard against excessive planting of acreages of certain important crops this season. Changes from present intentions appear desirable for some crops. Farmers are planning a marked shift from hard spring wheat to other grains, but such a shift may be somewhat too great for maximum returns. If intentions to plant larger combined acreage of corn, oats, barley and grain sorghums are carried out and average yields are obtained, the farmers who grow these crops for sale are likely to meet a less favorable market than that which has prevailed to date for the 1927 crops."

EXTENSION OF ECONOMIC INFORMATION NEEDED.

Aggressive extension of the very considerable volume of economic information which research has already made available is one of the responsibilities which cooperative extension workers should begin at once to discharge, C. B. Smith, chief of the Office of Cooperative Extension Work of the Department of Agriculture, told extension workers in conference at Ithica, N. Y., February 21-23. He said there is need for definite planning for conveying to the farmer through the extension forces which now exist the meaning and use of the department's agricultural outlook material and reports on intentions of farmers to breed and plant.

More than 75 specialists and administrators in cooperative extension work from the department and Northeastern States attended the conference. The discussions of the economics group were concerned largely with the outlook material prepared in the department. The point was brought out that it was of great importance that every State be represented in the national outlook conferences held in the department, and it is expected that there will be a representative attendance of economists and extension executives from the Northeastern States in Washington for the preparation of the 1929 outlook. The group expressed the belief that the opportunity of taking back to the States the national view of the outlook committee would be of great value to extension people and the farmers with whom they work.

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NATIONAL EGG WEEK IN MAY.

May 1 to May 7 has been proclaimed by the National Poultry Council as National Egg Week. The food value of eggs will be emphasized in the campaign, and an effort made especially to acquaint housewives and the public generally with the newly discovered and distinctive properties possessed by eggs as human food.

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MANY BANKS USING MARKET REPORTS.

Approximately 1,000 banks and other financial institutions in all parts of the country are receiving the market reports on livestock, meats, and wool issued by the Bureau of Agricultural Economics. More than two-thirds of these banks are being supplied weekly reviews designed especially to meet their requirements for concise and dependable livestock market information. The reports, termed "Bankers' special", are released every Thursday by the Chicago, East St. Louis, and St. Joseph offices of the bureau.

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SUMMARY OF CASES AND DECISIONS on Legal Phases of Cooperation (No.5) has been issued in mimeograph by the Bureau of Agricultural Economics.



LARGE STOCKS OF PORK  
AND LARD IN STORAGE.

Stocks of pork in cold storage and in process of cure are 212,000,000 pounds more than at this time a year ago, according to the March report of the Bureau of Agricultural Economics. Stocks of lard are also larger than on March 1 last year, but decreases are reported for poultry, cheese and eggs.

Creamery butter stocks are nearly twice the size of those at this time a year ago, but the supply at that time was abnormally low, and present stocks are under the five-year average.

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DIRECT BUYING OF FEEDER  
CATTLE IS INCREASING.

Increasing use of the system of direct buying of feeder cattle by Corn Belt feeders is reported by C. G. Randell, Bureau of Agricultural Economics. The increase is attributed to the fact that a considerable number of ranchmen want to sell their stock at home and a considerable number of feeders want to buy their stock direct from the range.

Mr. Randell says that although the auction method of marketing still prevails to a limited extent, it is almost entirely in the hands of the speculator, and it is doubtful, if either the producer or feeder desires a return of the auction system.

Cattlemen with whom Mr. Randell has discussed the subject have expressed need for a standardization and grading program. They declare they can make their cattle good and uniform, provided they are rewarded for so doing, but no cattleman can afford to buy high-priced bulls and carefully cull his herd only to have his good cattle sell at a flat price along with other cattle not of the same quality and grade.

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BETTER PREPARATION OF STRAWBERRIES  
FOR MARKET IS NEEDED.

The unsatisfactory condition and grade of strawberries often found on the markets indicates a need for more attention to standardization and better handling methods, according to the Bureau of Agricultural Economics following a field survey of strawberry marketing methods.

Detailed results of the survey have been published in Farmers' Bulletin No. 1560, entitled "Preparing Strawberries for Market", issued by the U. S. Department of Agriculture.

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"MARKETING LOUISIANA STRAWBERRIES", Summary of 1927 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

TENTATIVE CLASSES AND SUB-CLASSES  
FOR LIVE POULTRY.

Classes and sub-classes for live poultry which approximate the basis upon which trading in live poultry is carried on and which might serve as a basis for exchange trading have been issued by the Bureau of Agricultural Economics. The bureau believes that with these basic classes and sub-classes once established it will be a relatively simple matter to formulate detailed grades if and when the need for them arises.

The bureau is asking for constructive criticism and the cooperation of entire live poultry industry in this work, and would appreciate receiving comments and suggestions so that such changes and improvements may be made in the proposed classes and sub-classes as will make them of greater influence and value.

Copies of the classes and sub-classes may be obtained from the bureau at Washington, D. C.

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RECENT MIMEOGRAPHS.

"Marketing Lower Rio Grande Valley Texas Potato Crop, Summary of 1927 Season," issued by the Bureau of Agricultural Economics.

"Cooperative Selling and Purchasing as Shown by the Agricultural Censuses for 1919 and 1924", issued by the Bureau of Agricultural Economics.

"Marketing Strawberries from the Ozark Section of Missouri and Arkansas, Summary of 1927 Season," issued by the Bureau of Agricultural Economics.

"Production and Carry-Over of Fruit and Vegetable Baskets for the Year 1927," issued by the Bureau of Agricultural Economics.

"Analysis of Assumptions Underlying the Various Indications of Change in Crop Acreages," issued by the Bureau of Agricultural Economics.

"Management Factors Which Cooperatives Should Consider," issued by the Bureau of Agricultural Economics.

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PROGRAM FOR MEETING OF WESTERN  
SOCIETY OF FARM ECONOMICS.

The tentative program for the meeting of the Western Society of Farm Economics to be held at Berkeley, Calif., in the summer of 1928, includes round table discussions of marketing, farm management, price analysis, commodity supply and price outlook studies, and consumer- preference studies.

AGENCY

Chandler v. Kelley (Supreme Court of Virginia,  
January 19, 1928.) 141 S.E. 389.

This case, involving payment for two carloads of potatoes, sold by plaintiff Kelley, is found to rest upon the question whether an agency existed between the defendant and one Feddeman, who purchased the potatoes and had them shipped to defendant. In the trial court the jury brought in a verdict for defendant Chandler, which the court set aside and entered final judgment for plaintiff. From such judgment a writ of error was awarded to defendant. Judgment affirmed.

The only assignment of error is that the judgment of the court in setting aside the verdict and entering judgment for plaintiff is contrary to the law and evidence. The issue before the jury and also on appeal is whether Feddeman was acting as agent for Chandler or whether he was acting in his own behalf. The trial court found that from evidence introduced it established Feddeman as the agent of Chandler as a matter of law.

George Feddeman had his office in Pocomoke, Maryland, and operated under the name of Chandler & Feddeman, Produce Brokers, dealing in fertilizer and seed. Chandler was a commission merchant with main office at Exmore, Virginia. The record indicates that Feddeman generally represented himself as agent of defendant, and he handled seed and fertilizer furnished him by Chandler.

Defendant shipped potatoes under the name of "Eagle Brand" stamped on covers and placed on the barrels shipped by him. Covers were supplied Feddeman, and he solicited potatoes from the farmers, telling them he was buying for Chandler. The "Eagle Brand" covers were left with the sellers to be placed on barrels when the potatoes were shipped. The potatoes were billed in the name of Chandler.

An agreement was entered into between Feddeman and Plaintiff Kelley whereby Kelley was to buy potatoes for defendant at a brokerage of \$10 per car. Feddeman was to furnish Kelley with "Eagle Brand" covers, which were sent him presumably by defendant. Plaintiff loaded two cars of potatoes with "Eagle Brand" covers on them, which he said were sold to Chandler through Feddeman, over the telephone. The agent was instructed by Feddeman to give bills of lading to plaintiff, who, in turn, sent them to Chandler. No payment was made for these potatoes. Defendant paid Feddeman, but Feddeman did not make settlement with plaintiff. Being unable to obtain settlement, the plaintiff instituted this action.

Both the defendant and Feddeman testified that Feddeman was not the agent of Chandler; that he purchased the potatoes on his own account and sold or consigned them to defendant. Commenting upon this testimony, the court said in substance that such statements on the part of the defendant and Feddeman are their own conclusions with reference to the alleged agency; that it does not necessarily follow that such conclusions are legally accurate, and that facts gathered from the evidence are not conclusive of the question; that there are certain undisputed facts concerning the alleged agency and admissions of Chandler and Feddeman which determine as a matter of law that Feddeman actually acted as agent of the



defendant; that this conclusion was reached by the trial court and that it moved the court to set aside the verdict of the jury and enter judgment for plaintiff; that such undisputed admissions, in connection with the evidence, establishes a relationship between defendant and Feddeman which is inconsistent with that of seller and purchaser, and which is consistent with the relationship of principal and agent. The testimony of the parties upon which this finding is based appears in the opinion:

"It is true that the defendant and Feddeman both denied the agency, but the relationship of the parties does not depend upon what the parties themselves call it, but rather, in law what it actually is. Thus in 2 C. J. 423, we find:

'But if the facts establish the relation of principal and agent as a matter of law, the intention of the parties is immaterial, and the character of the relation is not affected by any agreement of the parties that an agency between them does not exist or that some other relation does exist.'

H. F. Fitts

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#### IN CONGRESS:

H.R. 11074, by Mr. Ketcham, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, has passed the House.

S. 2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission under the Radio Act of 1927, has passed the House, and is now in conference.

S.J.R. 46, by Senator Norris, providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, has passed the Senate.

#### New Bills:

H.J.Res.237, by Mr. Buchanan, to provide for the eradication of pink bollworm, and authorizing an appropriation therefor.

H.R. 11952, by Mr. Dickinson, to amend the grain futures act.

H.R. 11989, by Mr. Madden, providing that subscription charges for newspapers, magazines and other periodicals for official use may be paid for in advance, has been reported out of the Committee (Rept. No. 913)

STATE AND FEDERAL  
MARKETING ACTIVITIES  
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

March 28, 1928.

Vol. 8, No. 13.

NEW HAMPSHIRE MARKETS BUREAU  
TO HELP SELL SURPLUS HAY

A "direct mail" campaign in which the New Hampshire Bureau of Markets will urge hay and grain dealers of the State to handle New Hampshire grown hay is being launched by the bureau. Circular letters distributed among the trade will carry the names and addresses of persons having hay for sale, quantity offered, a description of the hay, including kind, quality and condition, and the price asked. In most cases only carlot shipments will be handled.

There is a rather general complaint among our hay dealers, says the bureau, that the New Hampshire product is seldom of Number 1 quality, that it varies considerably in quality because it too often consists of a mixture of grasses, and that on the whole the hay is an unsatisfactory product to handle. To assure dealers that hay received will be as represented, the State Bureau of Markets plans to make available a Federal inspector to settle cases of dispute. In cases where the inspector rules that the hay is of the grade and quality offered the dealer will be asked to pay the cost of inspection. When the dealer's complaint is sustained by the inspector the person shipping the hay will be asked to pay the inspection expenses.

Producers are being asked to list their offerings with the bureau, describing carefully and in some detail the quantity, kind, condition and quality of hay for sale. If sufficient listings are available the bureau will send letters to dealers and carlot buyers of hay twice a month.

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NORTH DAKOTA WOOL TO BE SOLD  
THROUGH NATIONAL ORGANIZATION.

Wool handled by the North Dakota wool pool will be sold through the national wool pool at Boston again this year, according to announcement by A. C. Bjerken of Fargo, secretary-treasurer. The wool will be concentrated at Fargo or will be shipped direct to Boston from points where carloads are available.

An innovation this year will be the immediate payment of one dollar down for every fleece to be marketed later. At the time the wool is loaded, an advance will be made of about two-thirds the market value, or approximately 25 cents per pound on the basis of present values. Meetings will be held in the state in the near future at which sheep growers will be urged to sell their wool through this state cooperative marketing organization.

U. S. DEPT. OF AGRICULTURE  
BUREAU OF AGRICULTURAL ECONOMICS  
Room 307, Bieber Bldg.,  
Washington, D. C.  
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NEW JERSEY TO HAVE TWO  
NEW FARMERS' MARKETS.

Two new farmers' markets are being established in Cumberland County, N.J., and plans are in progress for several smaller retail markets in Essex County, Secretary William B. Duryee of the New Jersey Department of Agriculture has announced.

"Several meetings recently held at Rosenhayn and Cedarville," according to Secretary Duryee, "have resulted in a decision by farmers at those points to open farmers' markets of the auction type for direct selling of the vast quantities of fruits and vegetables produced in those localities. The Bureau of Markets has worked up tables showing the available produce which can be sold through these markets and is working on a plan to attract buyers from many cities, which have carload capacity but which have not heretofore been represented with buyers on New Jersey markets."

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NEW MEXICO REPORTS PROGRESS  
IN ECONOMIC STUDY.

The economic study that is being made of the Elephant Butte Irrigation Project has progressed to the extent that production requirements and cost data have been secured for most of the leading enterprises, according to the New Mexico Extension Service. The data on costs and profits of feeding sheep and cattle on southern New Mexico irrigated farms have not been completed as it is the plan to secure records for the 1927-28 feeding period before this information is tabulated.

This study which is being made by the New Mexico Extension Service in cooperation with the Bureau of Agricultural Economics is the outgrowth of the economic survey and conference held a year ago. It was considered at that time that not sufficient information was available on production requirements, cost and profits for the various enterprises so that organization plans could be carried to the individual farms, and it was for this reason that the study was continued.

Production requirements and cost records have been secured for the production of cotton, alfalfa, corn, grain, corn silage, cabbage, cantaloupes, tomatoes, milk and butterfat on the Elephant Butte Irrigation Project. Records on the feeding of lambs and cattle and the maintaining of various types of farm flocks are being secured both in the Pecos Valley and on the Irrigation Project. The material is to be published in a series of circulars.

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HUNTER RESIGNS TEXAS FRUITS  
AND VEGETABLES WORK.

J. A. Hunter, in charge of market news on fruits and vegetables at San Antonio, Texas, under a cooperative arrangement between the Bureau of Agricultural Economics and the Texas Bureau of Markets, has announced his intention to resign early in April to act as sales agent for the Medina Dam and Catarina projects with headquarters at San Antonio.



REGULATIONS FOR HAY AND  
STRAW INSPECTION ISSUED.

Rules and regulations of the Secretary of Agriculture governing the inspection of hay and straw have been issued by the U. S. Department of Agriculture to supersede Service and Regulatory Announcement No. 86. Copies may be obtained from the Department of Agriculture, Washington, D.C. Ask for Service and Regulatory Announcement No. 110.

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GEORGIA REPORTS ON WATERMELON  
MARKETING CAMPAIGN.

Posters and illustrated circular letters were used effectively in a watermelon marketing campaign last season by the Georgia Extension Service. The enterprise was conducted in Dooly County, Ga., the primary purpose of the project being to visualize the industry as a whole; to coordinate marketing with production; and to devote attention according to the needs of production and marketing.

A series of seven posters were used, the foundation data in these posters being prepared by the marketing specialist and sent to the county agent for practical adaption to conditions in Dooly County. A rough draft of each poster was prepared in the Washington office of Cooperative Extension Work. Each poster was followed by one or two circular letters giving in more detailed information the high points brought out by the posters.

A detailed report of the project has been prepared in mimeograph by the Georgia State College of Agriculture, copies of which may be obtained by writing the college at Athens, Georgia.

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MASSACHUSETTS MAKING STUDY  
OF PART-TIME FARMING.

The Department of Agricultural Economics, Massachusetts Agricultural College, is carrying a research project dealing with problems of part-time farming. The purpose of the project is to bring out a specific set of relationships arising from the fact of combined use of labor in industry and agriculture. In many industrial communities a number of laborers employed in mills and shops live on small farms which, in addition to serving as a home, provide some produce for family consumption and often a surplus for sale.

There are many advocates of this occupational arrangement, says the college, who would like to see it spread over larger areas. As early as 1908 an agitation began in Massachusetts for state aid to workers in obtaining wholesome homes with small holdings of land outside urban congested districts. This resulted in the appointment in 1911, by the legislature of the Commonwealth, of a Homestead Commission charged with a mission to draw a bill under which laborers could acquire small homesteads with the assistance of the Commonwealth.

SPRING PLANTING DELAYED  
BY BACKWARD SEASON.

Spring planting delayed by the backward season throughout much of the agricultural community is reported in the April issue of "The Agricultural Situation". The retarding of fruit buds, however, says the bureau, is considered a favorable circumstance.

Some changes from the planting intentions of farmers this spring as indicated by intentions-to-plant reports are suggested by the bureau, which says that any great reduction of hard spring wheat acreage in favor of durum might not be profitable in view of recent improvement in market prospects.

"In general," the bureau concludes, "it appears that the major crops have been profitable enough to maintain their acreages and even induce some expansion this season. This applies to most crops except the horse feeds like timothy hay and oats where demand has permanently dwindled. However, in most important lines of farm production profits are still scaled very close to the line and any marked increase in output usually brings down the price. This fact should be borne in mind this spring particularly by growers of potatoes, barley, durum wheat, and certain types of tobacco."

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CHANGES IN COTTON SUPPLY MOST  
IMPORTANT FACTOR IN PRICE CHANGES.

Changes in cotton production and prospective supplies have been found by the Bureau of Agricultural Economics to exert the most important influence on cotton prices. Were these changes less violent, says the bureau, it is certain that less violent price fluctuations would result.

These conclusions are the result of a statistical and economic study of factors affecting the price of cotton. The two factors of supply (actual and potential) and the four factors representing demand (changes in domestic consumption, exports, business conditions, and the annual and seasonal demand for cotton) when taken together over a period of twenty years, were found to explain about 90 per cent of all of the monthly fluctuations in the price of cotton.

The bureau says that variations in the factors of supply exert greater influence on price than changes in the factors of demand, inasmuch as changes in the basic demand for cotton, arising from the growth of population, and changes in the needs and buying power of consumers vary comparatively little from month to month and from year to year, whereas extreme variations in supply are frequent. Furthermore, says the bureau, despite much adverse criticism of crop reports, but chiefly because of these reports, it is much easier for the market to gauge and measure changes in supply than changes in demand.

A detailed report of the study has been published in Technical Bulletin No. 50-T, entitled "Factors Affecting the Price of Cotton."



CONTRACT FOR GRAPES OF SPECIFIC QUALITY MUST BE  
FULFILLED

Eskew et al. v. California Fruit Exchange. Supreme  
Court of California (263 Pac. 804)

Action was instituted to recover damages for alleged failure of defendant to deliver certain Zinfandel grapes, pursuant to contract. The contract provided for five cars of Zinfandel grapes at \$77.50 per ton f.o.b. cars at Minkler, California, \$1000 to be paid upon signing contract and applied on payment as cars were loaded at the rate of \$200 per car; balance for each car to be paid when car was loaded. The grapes were to meet the requirements of U. S. Grade No. 1.

It appears that defendant delivered one car of grapes according to the contract; and thereafter two cars were loaded which failed to pass as U. S. Grade No. 1 and were refused by plaintiff. Defendant then notified plaintiff that owing to weather conditions in the Minkler district no more grapes which would grade U. S. No. 1 would be shipped. After correspondence and conferences, plaintiff urged defendant to procure the grapes elsewhere if unable to supply them from the Minkler district. Defendant, however, notified plaintiff that it would not be in a position to fulfil its contract. Upon this situation the plaintiff instituted this action seeking damages arising from the breach of the contract.

Defendant in its plea sets out that in entering into the contract it was acting as agent for other persons in selling the carloads of grapes, and that its principals were known to plaintiff at the time. Defendant further pleaded that the contract referred to grapes to be grown in the Minkler district and not elsewhere, and that since by reason of climatic conditions it was unable to supply grapes which would meet the U. S. No. 1 grade, it had no liability under the contract. Judgment was entered against defendant, who has taken this appeal. Judgment affirmed.

Upon appeal, this latter contention of defendant was set up, that is, that under the terms of the contract, its sale and shipment of grapes were to be confined to grapes grown in the Minkler district, and that since upon the evidence and findings of the trial court no U. S. No. 1 quality grapes could be procured in said district, it was not bound to make further deliveries.

The trial court's interpretation of the contract did not agree with that of defendant. The appellate court, upon review, upholds the trial court, inasmuch as sale and delivery of the grapes to be supplied thereunder were clearly not confined to grapes grown in the Minkler district; that the contract was an unqualified agreement for the sale of five carloads of grapes of a certain standard, and, therefore, that it was the duty of the seller to procure the required quantity wherever they might be procurable, and even go into the market if necessary and obtain them; that the findings of the trial court show that grapes of the quality required by the contract were procurable in the very region, though not in the precise vicinity from which shipments were to be made; and, therefore, that defendant was liable. The rule on the subject is stated in the case of Pearson v. McKinney, 160 Cal. 649, 117 P. 919, 921, as follows:

"Where one makes an unqualified agreement to sell goods to be delivered at a fixed time, or on demand of the buyer within a stated period, and it is inherently pos-



sible to obtain the goods, the fact that the seller may have expected to manufacture the goods himself, or to procure them from a certain source, and has not been able to complete or obtain them when delivery is due, does not excuse performance. In that event, his contract being unconditional and unqualified, he must go into the market if necessary and obtain the goods, and he will be liable in damages for nondelivery. 2 Mechem on Sales, Sec. 1103."

H. F. Fitts.

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IN CONGRESS:

S. 2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission, has been reported of conference and the conference report has been adopted by the House and the Senate.

H.R. 6518, Hearings have been held by the Committee on the Civil Service in the House, during the past week on H. R. 6518, by Mr. Welch, to amend the salary rates provided under the Classification Act.

H.J.Res. 223, by Mr. Madden, making an additional appropriation for the eradication or control of the pink bollworm of cotton, has been signed by the President.

New Bills:

H.R. 12175, by Mr. Andresen, to repeal the United States Grain Standards Act.\*\*\*

S. 3737, by Senator Tydings, to amend\*\*\* the act entitled "an act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleo-margarine" approved August 2, 1886.

S. 3684, by Senator Steiwer, to amend the Federal farm loan act, as amended.

H.R. 12349, by Mr. Sumners, to amend section 13 of the Federal reserve act.

H.R. 12323, by Mr. Berger, to establish a minimum wage for all civilian employees of the Federal Government.

H.R. 10887, by Mr. Hudspeth, providing for half holidays for Government employees.

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

April 4, 1928.

Vol. 8, No. 14.

## DETROIT MARKETS BUREAU REPORTS ON YEAR'S ACTIVITIES.

Construction of a new 48-stall market building in Detroit is reported by the Municipal Bureau of Markets of that city as one of the bureau's principal activities for the past year. The bureau is charged with the administration, maintenance, general improvement and extension of the city-owned and operated public markets. It assists in the administration of city ordinances regulating street vendors, and the use of city sidewalks by wholesale produce dealers. It works with the local produce trade and milk producers and distributors on problems that confront these industries, and, in general, aims to serve as a point of contact between country producers of food products and the city distributors and consumers.

The bureau reports that last year "proved rather unexpectedly to be the banner year for business in the history of the public markets of Detroit, both with reference to the number of truckloads of fresh farm produce offered by growers, and also the amount of market revenue obtained. A final check of records at the end of December showed a grand total of 103,921 truckloads of produce brought in by farmers during the year to the three public markets, exceeding by 239 loads the previous high total of 103,682 recorded in 1924.

A multigraphed market report is issued by the bureau each week day from May 1 to December 1, and tri-weekly the remainder of the year. Farmers use the report as a price guide. A special wholesale price report is furnished the local daily newspapers, as well as market notes of special interest to consumers.

The bureau suggests that "a better stabilized market with lower costs of doing business would obtain if a properly designated union produce terminal were available where the day's supply of goods could be unloaded, refrigerator cars released quickly, and sales made over a warehouse platform" to replace the present perishable produce terminal at the foot of 12th Street. "The existing system of car-door selling," says the bureau, "uses refrigerator cars for stores, tends to increase speculation and the existence of irresponsible operators, and causes unnecessarily high selling costs." The bureau is endeavoring to stimulate interest among the fruit and produce jobbers looking toward the development of a new union terminal market for perishables which will function as a primary market for the city and surrounding territory.

WEST VIRGINIA LAMB IMPROVEMENT  
CAMPAIGN UNDER WAY.

To promote the development of the West Virginia sheep industry by bringing together those growers of the state who have surplus purebred rams and those who are desirous of obtaining purebred rams, the animal husbandry department of the West Virginia College of Agriculture is now engaged in taking orders from prospective buyers, and arranging to sell surplus qualifying stock. This work is one phase of the statewide lamb improvement campaign now under way. The rams will be transported free of charge on the West Virginia Purebred Ram Special which is to be operated September 24 to October 1.

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INCREASING USE OF COMBINE-  
HARVESTERS IS REPORTED.

Farmers in the wheat belt, from Texas to Montana, are using combines in ever-increasing numbers, reports the Bureau of Agricultural Economics. Larger acreages of wheat are being handled by individual farmers, demand for transient harvest labor is less, costs of harvesting are lower, harvesting and threshing losses have been decreased, quality and condition of grain have not changed materially, and grain is being marketed in a shorter period, due to the use of combines.

Most of the machines are equipped with an auxiliary engine and are pulled by a tractor or horses. A newer type introduced in 1926 has a power drive from the tractor. A full report of the bureau's investigation has been published in Technical Bulletin No. 70-T, entitled "The Combined Harvester-Thresher in the Great Plains."

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NEW HAMPSHIRE URGES USE  
OF MAPLE PRODUCTS GRADES.

Grade standards for maple syrup and maple sugar which have been prepared by the Vermont Department of Agriculture are being offered to New Hampshire producers by the New Hampshire Department of Agriculture in the absence of specific legislative authority to establish grades. The New Hampshire department declares that "although it does not have authority to promulgate grades for farm products as do the other New England States, it endorses and urges the sugar growers of New Hampshire to adopt the Vermont grades and sell their product on the same basis.

"If this grading practice," says the department, "could be generally adopted by the growers of New Hampshire it would be a big step toward putting the industry on a progressive and organized basis."



DR. YOUNGBLOOD RESIGNSAS TEXAS EXTENSION DIRECTOR.

Dr. B. Youngblood has resigned as director of the Texas Agricultural Experiment Station, effective April 30, to continue the development of the cotton utilization research program of the Bureau of Agricultural Economics, U. S. Department of Agriculture.

Dr. Youngblood was given leave of absence by the State at the request of the department in July 1926 to promote plans for cotton research and cooperative studies with the agricultural experiment stations of the Cotton States.

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FARM BANKRUPTCIES DECREASINGSAYS FEDERAL BUREAU.

Farm bankruptcies in the United States declined sharply in 1927, although the proportion per thousand farms remained much higher than before the war. Figures compiled by the Bureau of Agricultural Economics show that the bankruptcy rate in 1927 was .99 per 1,000 farms, compared with 1.22 in 1926, 1.23 in 1925, and 1.22 in 1924.

Apparently, the decline in 1927, says the bureau, indicated an approaching end of the abnormal wave of bankruptcies made inevitable by the losses of the postwar agricultural crisis. It usually takes several years for prosperity to reduce, or depression to increase, the farm bankruptcy rate.

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FARM PRICE INDEX ADVANCESDURING PAST MONTH.

The Department of Agriculture index of the general level of farm prices advanced during the period February 15 to March 15 from 135 to 137 per cent of the pre-war level, the advance of two points being accounted for by a general but moderate advance in most of the commodities included in the index.

Only three commodities listed declined during the month, eggs, hogs, and hay, the most significant decline being in eggs which was largely seasonal. Hog prices have followed a downward trend for several months, while the decline in the farm price of hay has had a general downward trend since the harvesting of last year's large hay crop.

The group indexes show increases in grains, fruits and vegetables and cotton and cottonseed, and declines, largely seasonal, in the dairy and poultry group, while the meat animals index remained unchanged due to the higher prices of beef cattle, veal calves, lambs and sheep being offset by the decline in hog prices.

### PENNSYLVANIA FINISHES STUDY OF DIRECT MARKETING.

A study of direct marketing of farm products in Pennsylvania has been completed by the Pennsylvania Department of Agriculture and published as General Bulletin No. 454. The bulletin discusses the development of markets, types of marketing, and costs of direct marketing.

The bureau found that farmers who have established regular wholesale peddling routes enjoy the lowest per cent cost of selling of all five types of direct marketing. Those selling on the retail curb market have the next lowest sales expense, and for both forms of marketing, selling costs average less than 10 per cent. In wholesale farmers' markets the average cost of selling to the grower amounted to slightly more than 10 per cent, in market houses to 10.35 per cent, and in retail peddling to a trifle more than 11 per cent.

Copies of Bulletin 454 entitled "Direct Marketing of Farm Products in Pennsylvania" may be obtained from the Pennsylvania Department of Agriculture, Harrisburg, Pa.

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### IMPROVEMENT REPORTED IN HORSE AND MULE PRICES.

Horses and mules, which in 1926 were worth relatively less than at any time in the preceding 40 years, have at last begun to advance in price, says the Bureau of Agricultural Economics. In February the farm price of horses averaged \$4 a head above the price at the beginning of 1926, and was on a higher level than in any February since 1924.

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### FARMERS CHANGE CROPPING SYSTEMS BECAUSE OF CORN BORER.

Farmers in the invaded portions of Ohio and Michigan are already modifying their methods of handling corn with a view to keeping the European corn borer in check, and some farmers are going so far as to consider the reduction of the corn acreage, for the time being at least, according to Jesse W. Tapp of the U. S. Department of Agriculture. Mr. Tapp says that "some farmers in Ohio and Michigan reduced their corn acreage in 1927 because of the corn borer. This was due in part to the extra labor involved in the control practices used in the spring of 1927 which was greater than is to be expected normally because of very unfavorable weather conditions and lateness in starting the clean-up work."

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TWENTY MILLION CATTLE are now under supervision in TB eradication, reports the Federal Bureau of Animal Industry.

SPECIFIC ALLEGATION OF NEGLIGENCE MUST BE PROVED.

Wentworth Fruit Growers Association v. American Railway Express Company, Springfield Court of Appeals, Missouri, January 20, 1928. ( 1 (2nd) S. W. 1028.)

This is an action for damages to a car of strawberries alleged to have been caused by defendant Express Company in failing properly to ice. Verdict of jury, and judgment, for defendant. Case brought to appellate court by writ of error. Judgment affirmed.

Plaintiff delivered a car of strawberries to defendant at Wentworth, Missouri, consigned to Denver, Colorado, and contended that at time of delivery they were in good condition; that defendant neglected properly to refrigerate the berries, and, because of such negligence, the berries arrived in Denver in a damaged condition. The loss involved was \$662.25. The answer was a general denial, the plea being that shipment was regulated by the Interstate Commerce Act, and also an allegation that if berries were deteriorated upon arrival at destination, this was due to their condition when delivered, or to the inherent nature of the shipment.

It appears that plaintiff based its cause of action on a specific allegation of negligence, namely, "That defendant was negligent in this, that it failed to keep said berries properly refrigerated."

Considerable testimony was introduced to show that when the berries were loaded and delivered to defendant they were in good condition, and that when they arrived at destination they were in a deteriorated and damaged condition. Under ordinary conditions such proof of shipper shifts to the carrier the burden to explain the damaged condition; but if the shipper pleads specific negligence (as was done in this case) he can not invoke the presumption arising from the damaged condition. In case a plea of specific negligence is entered, the burden is on the shipper to prove the negligence alleged, and this burden does not shift. Cases in point were cited in the opinion. In one case it is stated:

"But if the complaining party chooses to specify the negligences he puts aside the presumption in his favor and assumes the burden of proving his specification. The rule making a prima facie case for the shipper when he shows injury or nondelivery and putting the burden on the defendant to relieve himself has arisen from necessity and natural justice. Hill v. Sturgeon, 28 Mo. 323. If the carrier receives and fails to deliver at destination or delivers in an injured condition, he knows the cause and the shipper ordinarily has no means of knowing it, and for that reason the presumption has arisen in favor of the shipper which in the absence of legal explanation or contractual excuse entitled him to judgment for damages. But if the shipper alleges that he knows the particular cause and alleges it, he does not need the aid of a presumption and he must therefore prove his allegations as in other cases."

--H. F. Fitts.



IN CONGRESS:

- S. 2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission, has been signed by the President.
- S. 3555, Senator Brookhart submitted an amendment in the nature of a substitute to Senate Bill 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce.
- S. 3740, by Senator Jones, for the control of floods on the Mississippi River from the Head of Passes to Cape Girardeau, Mo., has passed the Senate.
- S.J.R. 46, by Senator Norris, providing for the completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals and for the manufacture and distribution of fertilizer, has been reported out of the House Committee (Rept. No. 1095).
- H. R. 9956, by Mr. Winter, to provide for aided and directed settlement on Federal reclamation projects, has been reported out of the House Committee (Rept. No. 1039).

New Bills:

- H.R. 12482, by Mr. Allen, to create a public trust to be known as the Federal agriculture and home farms trust, to define its duties and powers, and to appropriate \$50,000,000 to finance its operations.
- H.R. 12410, by Mr. Peavey, for securing the uniform grading of fur, preventing of deception in transactions in fur, and regulating traffic therein.
- S. 3845, by Senator Heflin, to prohibit predictions with respect to cotton or grain prices in any report issued by any department of the Government\*\*\*.

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"A Study of Ranch Organization and Methods of Range-Cattle Production in the Northern Great Plains Region" has been issued as Technical Bulletin 45 by the U. S. Department of Agriculture.

"Information Concerning Proper Methods and Conditions for the Cold Storage of Eggs" has been issued in mimeograph by the Bureau of Agricultural Economics.

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# STATE AND FEDERAL MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

APRIL 11, 1928

Vol. 8, No. 15.

### COOPERATIVE ORGANIZATION OF OREGON PRUNE GROWERS BEING PLANNED.

Various plans for cooperative organization of Oregon prune growers are being considered by a local committee appointed for that purpose following meetings at Dallas, Oregon, called by State Market Agent Seymour Jones.

Growers and packers from Polk, Marion, Linn, Benton, and Douglas counties have attended the meetings in which W. A. Schoenfeldt, representing the United States Bureau of Agricultural Economics, and E. J. Murphy, representing the administration of the United States Warehouse Act, participated.

Mr. Schoenfeldt gave the results of a two years' study of the European prune situation, and declared that "if intelligent, loyal organization is brought about, with systematic control of acreage, of quality, of grading and of marketing in the future, the prune grower will have passed his worst experience and the next five years will see the industry stabilized on a prosperous basis."

One proposed plan of organization would include a membership contract running for five years, and binding when 75 per cent of the growers in each unit are secured. Provision is made for withdrawal. The grower pays \$1 per ton for expense of handling and sale.

Another plan provides for membership in the Dallas Prune Growers' Cooperative, wherein the prunes shall be handled as a pool. The organization would be financed by borrowing on promissory notes of the members, equalling \$10 per acre, the notes to be paid in three annual installments.

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### GERMAN COTTON SPINNERS TOURING UNITED STATES

A party of fourteen German cotton spinners arrived at New York last week for a month's tour of the United States for the purpose of learning some of the conditions under which cotton is produced and marketed in this country. The spinners will visit cotton plantations, cotton markets and ports. They will also inspect typical American cotton mills. The trip was arranged through the Berlin office of the Bureau of Agricultural Economics. The tour includes a survey of the cotton standardization and cotton utilization work being done by that bureau.

NEW ORLEANS ISSUING DAILY  
BULLETINS ON VEGETABLES

The New Orleans Association of Commerce and Louisiana State University Extension Service are cooperating with the Bureau of Agricultural Economics in a market news service at New Orleans, with B. B. Jones in charge. The first daily bulletin was issued April 2, covering beets, carrots, spinach, and string beans. These Bulletins are mailed to farmers whose names are furnished by county agents, and are widely distributed throughout the flooded parishes where the Red Cross has furnished seed for the various crops.

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NEW YORK FARMERS STUDY MARKETING  
IN METROPOLITAN AREA

Two hundred and seventy farmers from twelve New York counties visited the New York City markets the past winter to study market demands and to compare their own products with those from competing producing areas, in tours arranged by farm bureaus and the New York Agricultural Extension Service.

These farmers were struck by the confidence placed in highly standardized products such as apples that come from West Virginia and the Pacific Coast, peppers from Texas, and countless other fresh fruits and vegetables seen at the Pennsylvania Railroad piers in uniform grades and packages. Buyers bought entire shipments of carrots, for example, on the appearance of three crates, and carloads of apples were sold at auction where there was not an apple in sight.

The farmers toured the Washington Street wholesale market to see how products are handled; push cart markets; the Pacific Coast Egg Producers Association; the Atlantic Coast Egg Producers Association; Merchant's Cold Storage; United Dressed Beef Company, and the Dairywomen's League bottling plant at Hoboken.

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VIRGINIA REPORTS FURTHER PROGRESS  
IN POULTRY CERTIFICATION.

Report of the progress of poultry flock and hatchery inspection and certification for the season 1927-28, made by the Virginia Market Division, submitted by Nelson A. Loucks, specialist in marketing poultry products, shows the quality of flocks is being improved rapidly as well as the quality of chicks hatched by the certified hatcheries. Few complaints were received from purchasers of chicks. The report states that flock owners are receiving satisfactory premiums for their eggs, and that in addition through assistance given them in marketing their cull and reacting birds in northern markets, producers have received an average of \$2 per coop more than they would have received locally.



NEW YORK FINDS REDUCTION  
IN POTATO CONSUMPTION.

A strong tendency with many persons to eat less starchy foods, particularly potatoes, is affecting the consumption of that product, according to M. P. Rasmussen, marketing specialist at Cornell University.

"The buyer for a large chain of fashionable hotels," he says, "insists that his patrons are not eating half as many potatoes as a decade ago, while the manager of a low-priced chain of restaurants states that he sees no difference in potato consumption by his patrons. Buyers for more than a dozen grocery chain store systems all over the United States are unanimous in stating that people were eating less starchy foods, particularly potatoes, and eating foods of alighter type, especially leafy and succulent fruits and vegetables.

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FARM POPULATION DECREASES  
ARE OF LONG STANDING.

Farm population in the United States began to decrease long before the recent agricultural depression, and in some States during an era of great agricultural prosperity, according to Dr. C. J. Galpin, economist of the Bureau of Agricultural Economics.

The decrease in farm population, Dr. Galpin says, was accentuated by the recent period of agricultural depression, but the records show that farm population decreased in some States forty years ago; in other States, thirty years ago; in still others twenty and ten years ago. Farm population decreased in good years and in bad.

Records indicate that from 1900 to 1910 there was an actual decrease in farm population in strong agricultural States in the Mid-West, such as Ohio, Indiana, Illinois, Iowa, and Missouri. This decrease, Dr. Galpin points out, coincides with an era of great agricultural prosperity and a still rising tide of farm tenancy on the best lands in these States.

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RADIO FARM MARKET NEWS  
NOW BLANKETS COUNTRY.

One hundred and seven radio stations throughout the United States now are broadcasting the farm market reports issued by the Bureau of Agricultural Economics. The market news programs of these stations range from reports on a few agricultural commodities at local markets to complete statements on prices, shipments, and trade conditions for all farm products in leading consuming centers.

A list of stations which broadcast the Government crop and market news, giving the complete agricultural program in each case, may be obtained from the Bureau of Agricultural Economics, Washington, D. C.

REASONABLE DISPATCH IN TRANSPORTING PERISHABLE GOODS  
IS A QUESTION FOR THE JURY.

Sanders v. Charleston & W. C. Ry. Co.  
Supreme Court, South Carolina, February 14, 1928  
(141 S.E. 607)

This is an action against Railway Company for recovery of \$2,202.50, alleged damages to 680 crates of tomatoes, delivered to defendant at Port Royal, S.C., for transportation to New York City.

Plaintiff contended that the tomatoes should have been delivered at destination within two days, whereas the railroad did not deliver them until nearly five days after receipt at shipping point; that they arrived in bad condition, and, in consequence thereof, were sold at a great discount in price.

Defendant's answer was a general denial, and, in effect that everything was done by defendant and its connecting carriers to promptly carry and deliver the tomatoes; that the shipment was advanced with all possible speed, and that the car was properly ventilated.

After all testimony was in the defendant made a motion for a directed verdict in its behalf. This motion was granted. Plaintiff appealed from the directed verdict and judgment entered thereon.

The court in its opinion referred to the principle in the State of South Carolina, that on a motion for a directed verdict the evidence must be considered most favorably to the opponent of the motion; that in an action for damages for negligent delay in transportation of a perishable product the plaintiff must show negligence arising from unreasonable delay, and that such negligence was the proximate cause of the damage. Also that under the Carmack amendment the initial carrier of an interstate shipment is liable for loss or damage caused by negligence of connecting carriers.

The following quotation was made from the case of Van Epps v. A.C.L. Ry. Co., 89 S.E. 1035:

"Where the evidence is susceptible of more than one inference, the question whether a carrier failed to transport goods with reasonable dispatch was for the jury, and the trial court could not direct a verdict without invading the province of the jury."

In *Trakas v. Ry. Co.*, 69 S.E. 210, the legal principle is announced:

"When the goods are perishable, the carrier should exercise care in view of that fact, and, when perishable goods are delivered by the carrier in a damaged condition, the presumption makes it incumbent on the carrier to show that its negligence did not contribute to bring about or hasten the deterioration."

In concluding the opinion, it is stated:

"The court is satisfied that the learned judge erred in directing a verdict for the defendant, and that under the facts and circumstances of this case, it should have been submitted to the jury; hence the judgment of the lower court is reversed."

H. F. Fitts.

IN CONGRESS:

- H.R. 11579, by Mr. Jones, relating to the investigation of new uses of cotton, has passed both Houses.
- S. 3740, by Senator Jones, for the control of floods on the Mississippi River from the Head of Passes to Cape Girardeau, Mo., has been reported out of the House Committee (Rept.No.1100).
- H.R. 8907, by Mr. Perkins, to fix standards for hampers, round stave baskets and splint baskets for fruits and vegetables, and for other purposes, has been reported out of the House Committee (Rept.No.1129).
- S. 1727, by Senator Dale, to amend the act entitled "An act for the retirement of employees in the classified civil service and for other purposes", has been favorably reported out of the Senate Committee. (Rept. No. 681).
- H.R. 10288, by Mr. Williamson, to provide for an uniform retirement date for authorized retirements of Federal personnel, has passed the House.
- S. 3774, by Senator Capper, to provide a temporary location for a farmers' market in the District of Columbia, has been reported out of Senate Committee. (Rept. No. 695).
- H.R. 8298, by Mr. Stalker, authorizing acquisition of a site for the farmers' produce market, has been reported out of the Senate Committee. (Rept. No. 682).
- H.R. 12245, by Mr. Strong, to amend the War Finance Corporation act approved April 5, 1918, has passed both Houses.

NEW BILLS:

- S. 3871, by Senator Ransdell, to amend the act of August 11, 1916, known as the United States cotton futures act, as amended, by investing transactions in cotton for future delivery with a public interest, providing a commission to supervise cotton-futures exchanges, defining and prohibiting manipulation, and for other purposes.
- H.R. 12687, by Mr. Haugen, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce, has been reported out of the House Committee. (Rept. No. 1141).
- H.R. 12632, by Mr. Purnell, to provide for the eradication or control of the European corn borer, has been reported out of the House Committee (Rept. No. 1149).



S. 3894, by Senator Jones, to define fruit jams, preserves, jellies, and other products, to provide standards therefor, and to require the labeling thereof, and to regulate traffic therein, and for other purposes. A similar bill H.R. 12693, has been introduced by Mr. Reed of New York.

H.R. 12696, by Mr. Woodrum, to increase the compensation for certain civilian employees of the Government of the United States and the District of Columbia, and to amend the salary rates contained in the classification act of 1923 as amended.

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#### RECENT PUBLICATIONS.

"Preparing Eastern Grapes for Market", Farmers' Bulletin 1558, issued by the U. S. Department of Agriculture.

"Strawberries in 1928", a mimeograph report by the Bureau of Agricultural Economics which discusses plantings, production, prices and markets.

"Tentative Grades for Canned Corn" issued in mimeograph by the Bureau of Agricultural Economics.

"Marketing the (White County) Arkansas Strawberry Crop, Summary of 1927 Season," mimeograph by the Bureau of Agricultural Economics.

"Marketing South Texas Bermuda Onions, Summary of 1927 Season," mimeograph by the Bureau of Agricultural Economics.

"Summer Grazing Crops for Hogs in the Peanut Area," mimeograph by the Bureau of Agricultural Economics.

"Harvesting Grain with the Combined Harvester-Thresher in Northwest Texas," Bulletin 373 issued by the Texas Agricultural Experiment Station.

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#### WEST VIRGINIA EXPLAINS SEED CERTIFICATION.

West Virginia farmers, to have seed certified, must meet the inspection standards for the particular crop, and must also comply with the State seed law. The seed must be of a variety of crop adapted to conditions in the State and of a variety giving a superior yield. It must be true to variety name, practically free from mixtures, free from noxious weed seeds, and meet other requirements of the West Virginia Crop Improvement Association. Twenty growers last year had their seed certified.

# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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## LARGE DELEGATION OF ATLANTIC STATES

### MARKETING OFFICIALS ATTEND WASHINGTON MEETING

Resolution Passed to Appoint Committee to Co-operate with Other Agencies in Poultry Standardization and Accreditation Work.

S. B. Shaw of Maryland State Department of Markets Elected Chairman of Atlantic States Division for Coming Year; W. W. Oley, Secretary.

Eleven States and the Federal Department of Agriculture were represented at the meeting of the Atlantic States Division of the National Association of Marketing Officials, at Washington, D. C., April 13, which proved to be the most representative gathering of State and Federal officials interested in marketing ever assembled by this Division of the National Association.

States represented at the meeting included Virginia, North Carolina, South Carolina, Tennessee, Maryland, Pennsylvania, Delaware, New Jersey, Rhode Island, Massachusetts, and New York. The one-day program of the meeting was filled with discussions of progress and plans in standardization, shipping point inspection, market news, consumer demand, roadside marketing, agricultural clearing houses, cooperative marketing, and certification and accreditation of poultry flocks and hatcheries.

Following extensive discussion of the need for a national plan of certification and accreditation of poultry flocks and hatcheries, a resolution introduced by A. E. Jones of New Jersey, and seconded by M. H. Brightman of Rhode Island was passed by the Division calling for the appointment by the new Chairman of "a committee to consider and work with other agencies for the development of the soundest plan of poultry standardization and accreditation."

S. B. Shaw of Maryland State Department of Markets was elected Chairman of the Atlantic States Division for the coming year, and W. W. Oley of the New Jersey Bureau of Markets was elected Secretary. J. H. Meek of the Virginia Division of Markets was Chairman of the April 13 meeting.

### Tenny Discusses Standard Grades.

Lloyd S. Tenny, Chief, Bureau of Agricultural Economics, was the first speaker on the program with an address on the subject of



"Standard Grades for Agricultural Products that Meet Consumers Demands." He declared that "the only measure of value that we can put on color, size, quality and other factors that should enter into a grade of an agricultural commodity is the value of premiums and discounts that the consumer takes into consideration. If I should make a prophecy for the next ten years, I would say that we are going to see that the great drive in standardization work is on the consumer end, a readjustment to meet the consumer's need, and analyses of the price factor in terms of price production. If our grades do not meet the consumer's demand, to a large extent if not wholly, they are wrong grades. We must evaluate factors in terms that can be easily understood."

#### Can Retail Grades be Established?

Establishment of retail grades then came in for general discussion, at the conclusion of which Chairman Meek declared he considered this to be "one of the most important questions to be dealt with for the next ten years, and that we will have to change our terms and 'standardize our standards'." R. R. Pailthorp of the Bureau of Agricultural Economics explained the factors upon which present grades for fruits and vegetable are built, and declared that "although interested in retail grades, I do not yet see the solution in the matter of fruits and vegetables". H. D. Phillips of the New York State Bureau of Markets described the New York State apple grades which have been in operation since last September, but that "on other commodities I do not see how it is possible to carry the grades through to the retail grades." Roy C. Potts of the Bureau of Agricultural Economics outlined proposed retail grades for eggs. W. G. Ross of Jackson Springs, North Carolina, expressed the opinion that "we should endeavor to educate the consumer as to grades."

#### Shipping Point Inspection.

Robert Bier, Bureau of Agricultural Economics, opened the discussion on "Federal-State Shipping Point Inspection", declaring that as a result of the rapid expansion of this work there has developed a difficult problem in personnel. Various State marketing representatives were asked to state how they handled their personnel problem, the general opinion prevailing that States should not compete with one another in securing shipping point inspectors by offering larger salaries.

#### Federal-State Tobacco Grading.

"Federal-State Tobacco Grading" was discussed by F. B. Wilkinson, Bureau of Agricultural Economics, in which he described the establishment of the grades and the factors upon which they are based. The grades cover 26 different types of tobacco, each type being divided into 6 classes. Operation of an experimental tobacco grading service on the Lynchburg, Virginia market was outlined by Mr. Wilkinson, who declared that the service attracted the attention of auction sales warehousemen and buyers on many of the Southern markets.



Compulsory Standardization Laws.

"Benefits and Needs of Compulsory Laws for Grading and Marking Apples", was discussed by W. T. Derickson, Delaware Division of Markets, in which he said growers and buyers in his State were unanimously in favor of the law passed by the last Legislature "making it compulsory that each closed package of apples be marked with letters not less than one-half inch in height, with the name and address of the grower, the true variety, the size, and the grade." Mr. Derickson reported about 95 per cent enforcement the first year, and that many letters of commendation have been received from outside the State as to the improved quality of Delaware apples.

The general discussion that followed brought out the fact that the Delaware law requires that the apples must be branded with the grades, but does not require that the apples must correspond with the grade designations on the barrels. Mr. Derickson said that police inspectors under the law have no authority to take the covers off the barrels to determine the grade.

Application of Federal Grades.

Mr. Pailthorp then spoke on the "Application of Federal Grades Under Compulsory Marking Laws" during which he said that seventeen States have officially adopted the barrel apple grades, but that only three States have laws for the enforcement of these grades; Maryland, New York, and Delaware. In Delaware, however, the inspector does not have authority to open the packages to determine whether the apples are properly graded.

He said that, as operated, the Federal grades are not satisfactory, due to the fault of the men who pack apples rather than to the grades. The predominating grade is the U.S. No. 1, but instead of packing "Fancy" separately, the apples are all packed as U.S. No. 1. "In the Northwest, the different grades are packed separately and the trade is satisfied; and until this is practiced by the Eastern growers they will not be satisfied with the apple grades."

Poultry Certification.

Professor J. E. Rice of Cornell University read a paper on the subject "Certification and Accreditation of Poultry Flocks and Hatcheries." He said that "the objective is to set up sound, official, national standards for poultry, eggs and chicks, and for methods of management. It must include also the commercial grades. No one branch of Federal or State government can settle the question alone. What we need is a representative board of strategy to deal with all phases of the work."

Dr. M. A. Jull of the Federal Bureau of Animal Industry then spoke on "What the Bureau of Animal Industry Proposes to Do to Further the Activities with Reference to Certification and Accreditation of Poultry Flocks and Hatcheries." He read a letter prepared by Dr. Mohler, under date of April 5, 1928, in which Dr. Mohler stated that for

more than three years the poultry industry has attempted the development of uniform terminology in the various plans for state poultry improvement work. "The rules and regulations among all the States are in the main very similar, the only outstanding difference being in connection with the use of the word 'accredited'. The time has come to propose a national breeding plan which all States can adopt." A detailed copy of this proposed plan may be obtained from the Bureau of Animal Industry, Washington, D.C.

#### Produce Agency Act.

Provisions and enforcement of the Produce Agency Act were discussed by H. A. Spilman, Bureau of Agricultural Economics, in which he said that to date 40 to 50 cases have been investigated, one case having been sent to the Department of Justice for action. The first six months of the Act there were no funds with which to administer it, but with funds now available the produce industry is manifesting more interest in the legislation.

Mr. Spilman declared there seems to be some misapprehension as to the scope of the new law. He said that the Act does not affect transactions within a State; direct purchases and sales transactions; a brokerage transaction unless the broker has such control of a shipment as to constitute receipt; cooperative associations except when handling produce of non-members; prohibit dumping; require a certificate for dumping; require an agent to open his books for inspection; affect non-perishable farm products such as grains, dried beans, livestock, etc; affect commodities which would be classed as nursery products rather than farm products. Practically every complaint received by the Bureau has alleged either failure to receive any returns whatever, or failure to receive sufficient returns, with an implication that returns were incorrect.

#### Marketing Eggs on Graded Basis.

"Some Examples of How Eggs May be Marketed on a Graded Basis" were discussed by Roy C. Potts, Bureau of Agricultural Economics, in which he stated that "in this modern age of standardization progressive producers expect and demand that eggs shall be candled and graded according to 'U.S. Standards and Grades for Eggs' so that cash payment can be obtained on a graded basis from the marketing agencies." He declared that the national standardization of eggs is making definite progress, and cited numerous cases where producers and shippers using grades have enlarged their market outlets.

#### Consumer Demand Studies.

"Consumer Demand Studies as Developers of Marketing" was discussed by J. A. Hanemann, Pennsylvania Bureau of Markets. Mr. Hanemann gave in detail the results of a survey made regarding the consumption of bread in a number of cities in Pennsylvania for the purpose



of securing better coordination between the local production and consumption of wheat and flour best suited to specific types of bakery products. The survey showed that 23 per cent of the housewives bake their own bread, and that 75 per cent of the housewives make their own pastry. Only half the housewives use soft winter wheat for pastry purposes. A printed publication giving the detailed results of the survey will be available next month.

#### Terminal Market Facilities.

"City Marketing" was the subject of an address by H. E. Crouch, in charge of city marketing for the State of New York. He said that in studying the essentials for finding the proper location for a city market, one must take note of where the produce comes from, and the location of residences, hotels, and other consumers in the city. He discussed the Washington, D.C. situation with regard to the proposed relocation of the farmers' market, and described the comparative merits of two new sites which are under consideration. Mr. Crouch declared that the proper location of a public market in Washington is of great importance in setting a precedent for other cities. The question was raised as to whether it is a fact or an assumption that the average housewife goes very far from home to buy at a public market, to which Mr. Crouch replied that housewives do not go to the public market as a rule, but that "the market acts as a clean-up for the produce trade."

#### Demand for Market and Economic Information.

"Market News and Related Work" was discussed by J. Clyde Marquis, Bureau of Agricultural Economics, in which he declared there is a growing demand for more interpretative information on market conditions and trends. He described the methods employed by the bureau in the collection and dissemination of market news, and declared that the bureau has been requested recently by a member of Congress looking toward the development of a plan for the ultimate development of a complete market news service. Mr. Marquis stated that he had conferred recently with agricultural commissioners for the New England States in connection with the formulation of a complete market news program for that area.

#### Roadside Marketing.

"Roadside Marketing" was the subject of an address by B. W. Sherburne, New Jersey Department of Agriculture. He declared that New Jersey and Massachusetts have adopted the same sign to be used by those having roadside markets, and that Rhode Island also is about to use this sign. Several other States have manifested interest in this subject. New Jersey requires that 60 per cent of the produce sold



at a roadside stand must be produced by the seller, and that 40 per cent may be bought, of which 10 per cent during any one month may be purchased outside the State and so labelled. Many of the roadside stand operators base their prices on what the chain stores are receiving; some operators base prices on wholesale prices plus a slight advance.

#### Marketing Poultry in Car Lots.

George R. Ross of the North Carolina Bureau of Marketing gave the results of an interesting development in that State with regard to the marketing of poultry in car lots. The poultry is concentrated at country loading points and advertised at a stated price by the Bureau of Marketing. Between last Christmas and April 7 there has been marketed in this way 1,434,000 pounds of poultry contributed by 20,000 farmers representing about 42 poultry associations, or clubs. In addition to the stated price the buyer must pay  $3/4$  cents per pound,  $1/4$  cent of which is sent to the local club or association, provided it has had somebody at the car when the poultry was loaded, and  $1/2$  cent pays the expense of advertising and administration by the State. The price at which the poultry is offered is based upon current market conditions, and may be revised at the discretion of the Marketing Bureau.

#### Agricultural Clearing Houses.

Five different clearing house plans now in operation were discussed by E. W. Stillwell, Bureau of Agricultural Economics, the principal object of which, he said, is to widen distribution, stabilize prices, and control the volume of shipments. F. B. Bomberger, Del-Mar-Va Association of Salisbury, Maryland, discussed the recent activities of that Association in which he said that from 85 to 90 per cent of the acreage in the Del-Mar-Va area has been signed up this year. This organization does not attempt to fix prices, but those selected by the growers endeavor to forecast the price and decide upon the price to be asked. There has been some increase in potato acreage this year, following the satisfactory outcome of the Association's activities last year. Last year, however, yields per acre were unusually large.

#### Market Service to Farmers.

"Practical Market Service to Farmers" was the subject of a paper by W. W. Oley, New Jersey Bureau of Markets, in which he stated that much patient preliminary work is necessary, at least in New Jersey, before grades and standards are universally used. His office, he said, is sending out commodity reports at regular and irregular intervals and endeavoring to supply information that will help the grower to play his crop and to market it to advantage. These reports contain intentions to plant, estimated acreages in New Jersey and competing states, prices and conditions in various markets, carlot shipments and receipts, receipts of other commodities that might limit consumption of the particular commodity,

storage holdings, opening dates, the harvest progress and clean-up dates, and such information as will give the grower a clear vision of the industry as it may affect his own line of action.

#### Federal Meat Grading.

Federal grading and stamping of meats was discussed by W. C. Davis, Bureau of Agricultural Economics, in which he said that last year approximately 22,000,000 pounds of meat was graded under this service. Eighteen men are employed full and part time on this work, the inclusion of "good" grade beef in the service, along with "choice" and "prime" making the service applicable to 27 per cent of the Nation's beef supply.

#### Cooperative Marketing.

The meeting was concluded with an address by A. W. McKay, Bureau of Agricultural Economics, in which he discussed the "Essential Needs for Future Success of Cooperative Marketing". He emphasized the importance of more efficient management of cooperative associations, and recommended a careful study of the conditions under which new organizations have been formed. He said that colleges and States and the Bureau of Agricultural Economics are now studying this phase of the subject.

Virginia was represented at the meeting by J. H. Meek, B. E. Shaffer, and Nelson A. Loucks of the State Division of Markets; Lawrence T. Berry of the Virginia Department of Agriculture; Clarence Pickard of the Virginia Polytechnic Institution, and H. B. Derr of the Horticultural Society.

North Carolina was represented by R. B. Etheridge, George R. Ross, and F. W. Risher of the State Division of Markets, and by Wm. H. Richardson of the State Department of Agriculture.

South Carolina was represented by Miss Jane Ketchen, Market Work in Home Demonstration, Extension Service, and by V. W. Lewis, General Livestock Agent, Atlantic Coast Line Railroad.

Tennessee was represented by Nelson B. Rue of the State Division of Markets.

Maryland was represented by S. B. Shaw of the State Department of Markets, and by Franklin B. Bomberger and J. A. Burroughs of the Del-Mar-Va Eastern Shore Association.

Pennsylvania was represented by H. A. Hanemann, George A. Stuart, and E. J. Lawless, Jr., of the State Bureau of Markets.



Delaware was represented by W. T. Derickson of the State Bureau of Markets, and by Dr. Frank Hare and W. L. Mifflin of the State Board of Agriculture.

New Jersey was represented by Warren W. Oley and William C. Lynn of the State Bureau of Markets; B. W. Sherburne and Alben E. Jones of the State Department of Agriculture; D. H. Agans, Master, New Jersey State Grange, and Elwood Douglass, County Agent, Monmouth County.

Rhode Island was represented by M. H. Brightman of the State Bureau of Markets.

Massachusetts was represented by Laurence A. Bevan of the State Division of Markets.

New York was represented by H. D. Phillips, H. S. Duncan, and H. E. Crouch of the State Department of Agriculture and Markets, and by Professor James E. Rice of Cornell University.

Numerous commodity experts represented the Federal Bureau of Agricultural Economics.

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IN CONGRESS:

- S. 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce, has passed the Senate.
- H.R. 2632, by Mr. Purnell, to provide for the eradication or control of the European corn borer, has passed the House.
- S. 3556, by Senator McNary, to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics and related subjects, has been reported out of the Senate Committee.
- S. 3774, by Senator Capper, to provide a temporary location for a Farmers' market in the District of Columbia, has passed the Senate.
- H.R. 25, by Mr. Lehlbach, to amend the act entitled "An act for the retirement of employees in the classified civil service, and for other purposes,"\*\*\* has been reported out of the House Committee (Rept. No. 1263).
- H.J.Res.237, by Mr. Buchanan, to provide for eradication of the pink bollworm and authorizing an appropriation therefor, has been reported out of the House Committee (Rept. No.1178).



# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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## OREGON COOPERATIVE COUNCIL MEETS AT EUGENE, OREGON.

The Oregon Cooperative Council, composed of representatives of local cooperative organizations, the State Grange and Farmers' Union, Portland Chamber of Commerce, and marketing officials connected with the State Agricultural College, met at Eugene, Oregon, March 26-27, for a consideration of Oregon marketing problems.

The program included a discussion of clearing houses, organization of the dried prune growers of the Pacific Northwest, and the operation of various local cooperative organizations. Wm. A. Schoenfeld, representing the Federal Bureau of Agricultural Economics discussed some of the legal and practical problems of agricultural clearing houses.

E. J. Dixon, Portland, manager of the Pacific Cooperative Poultry Producers' Association was elected president of the Council at the close of the two-day session. Other officers named were: First vice-president, C. Holt, manager Eugene Fruit Growers' Association; second vice-president, J. Newhouse, manager North Pacific Cooperative Fruit Exchange, Portland, and secretary, George O. Gatlin, marketing specialist of Oregon Agricultural College.

An important feature of the final session was a decision to appoint a committee to study existing Oregon legislation governing cooperative marketing and suggest reforms desirable. This followed discussion of the recent action of the Supreme Court, upholding the Bingham law in Kentucky, which makes it unlawful for any individual or corporation to induce members of a cooperative organization to break his contract with the association. Some such legislation was considered desirable for Oregon.

The Council also went on record for a ruling by carriers operating in the Pacific Northwest to allow shippers the privilege of shipping both canned goods and dried fruits in single cars, which, it was stated, is not allowed at present. It was asserted California packers are allowed this privilege, with the result that the sale of Oregon dried prunes in the territory along the west of the Mississippi River is virtually excluded.

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## TENNESSEE TO HAVE THIRTY WOOL POOLS THIS SEASON.

Thirty cooperative wool pool sales will be held in Tennessee next month under the direction of agricultural agents and farm bureaus, A. L. Jerdan, extension marketing specialist, University of Tennessee, has announced.

ILLINOIS CONFERENCE CONSIDERS  
GRAIN MARKETING PROBLEMS.

Grain marketing, insurance and taxation figured prominently in the deliberations at the April meeting of the Illinois Agricultural Association Executive Committee. The conferees agreed that grain marketing must be developed by strengthening and working with the farmers' elevators. At a previous meeting held at Bloomington the Mutual Relations Committee of the Association submitted the following proposals to a committee from the Illinois Farmers Grain Dealers Association:

1. The Farm Bureaus of Illinois recognize the farmers' elevators of Illinois as the medium through which any constructive grain marketing program should go forward.
2. The announced purpose of said farmers' elevators is to operate so as to return the largest possible ultimate price to the producers of grain.
3. Both the Farm Bureaus and the farmers' elevators recognize that to carry out most effectively the preceding paragraph, it is essential to control the marketing of the maximum volume of grain produced within a given area.
4. Therefore, the Illinois Agricultural Association is willing and desirous of rendering such constructive service as may be deemed advisable and feasible to increase the volume of business now being handled by farmers' elevators, and stimulating the moral support of the farmers behind said elevators. We, the representatives of said Association, submit to the representative of the Farmers Grain Dealers Association of Illinois our willingness to employ and maintain a grain marketing director to carry out a program which may be agreed upon by both Associations.

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AGRICULTURAL OFFICIAL GOES ABROAD  
ON WORLD WOOL STATISTICS.

George T. Willingmyre, in charge of wool standardization in the United States Department of Agriculture will sail for Europe May 5, to discuss with the Department's foreign representatives and members of the European wool industry proposed plans for the establishment of a reporting service relating to wool stocks and other statistics. Mr. Willingmyre is chairman of an inter-department governmental wool committee interested in setting up a world wool reporting system which has the endorsement of the entire wool industry in this country. The movement for a world wool reporting service has been under way several years, and recent activities in that direction have led Mr. Willingmyre to hope that the service will be established in the near future.

GEORGIA PEACH GROWERS AGREE  
ON USE OF STANDARDS.

At a meeting of a committee of Georgia peach growers called by Commissioner Eugene Talmadge of the Georgia Bureau of Markets, the following recommendations governing the packing and labelling and shipping of peaches this year were unanimously adopted:

"On all of the very early varieties of peaches up to but not including the Carmens, a minimum size of 1 5/8 inches in diameter is recommended for U.S. Fancy, U.S. No. 1, and U.S. No. 2. All under this size shall be labelled and graded as 'Unclassified'.

"Beginning with and including Carmens, Georgia Belles, and Elbertas, the minimum size of 2 inches is unanimously recommended for all classified fruit. The minimum size for Hileys, U.S. No. 1's, and U.S. No. 2's shall be 1 7/8 inches in diameter to be classified, but U. S. Fancy Hileys must have a 2 inch minimum. All peaches not meeting these requirements must be shipped as unclassified and so marked. There was a strong argument advanced for all peaches falling below U.S. No. 2 to be branded as 'Culls'. The term 'Unclassified', however, is recommended."

The Committee recommended also that the railroads demand a cash payment of the freight on all "Unclassified" peaches shipped.

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OHIO TOBACCO GROWERS HAVE  
SUCCESSFUL SEASON.

Tobacco growers in Ohio have, as a group, just passed through the most successful season which they have had for several years, according to the Department of Rural Economics, Ohio State University. Increased acreage is expected this year, as a result.

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TENNESSEE SHEEP GROWERS HAVE  
GOOD OUTLOOK THIS YEAR.

Tennessee sheep growers have bright prospects for favorable wool prices this season, according to A.L. Jordan, Extension Cooperative Marketing Specialist, University of Tennessee. Increasing foreign demand, and small stocks, especially of the type of wool produced in Tennessee, are reported. Some Tennessee wool has already been contracted at 45 cents a pound.

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UNITED STATES GRADE REQUIREMENTS FOR PINTO BEANS have been issued by the Bureau of Agricultural Economics.



STATE STATUTE PROVIDES NO PENALTY FOR VIOLATION OF REGULATION MADE  
BY DAIRY AND FOOD COMMISSIONER.

S. Miller Cold Storage Company v. State Supreme  
Court of Wisconsin, March 6, 1928 (218 N.W.192).

The plaintiff was convicted of violating the Uniform Cold Storage Act of 1925. Upon appeal the judgement was reversed with directions to dismiss complaint.

Section 111.04, under which plaintiff was prosecuted, provides: "Every such licensee shall keep accurate records of the articles of food received in and of the articles of food withdrawn from his cold storage warehouse, and the dairy and food commissioner shall have free access to such records at any time."

The penalty provision of the statute reads; "Any person, firm, or corporation violating any provision of this chapter shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished," etc.

The dairy and food commissioner is authorized to make all rules and regulations necessary to carry the law into effect, but no penalty is provided for the violation of any regulation made by the commissioner. As stated in the opinion, "we must consider the case on the basis of the statutory provisions, unenlarged by any rule or interpretation of the dairy and food commissioner."

The state contended that the cold storage company violated the statute by failing to keep an accurate account of the date when the cold storage goods were received upon the premises and by failing to keep accurate record in the cold storage warehouse account of the ownership of the goods stored. In reviewing the case the court indicated that it was unable to find any provision of the statute which would require the warehouseman to keep an account of the date upon which the goods were received upon the landing platform or parts of the premises other than into cold storage warehouse as defined by section 111.04; that each licensee is required to submit a monthly report to the dairy and food commissioner itemizing the quantity of food received in, delivered from and remaining in his cold storage warehouse; that nothing is said about ownership or about the date of receipt upon the premises, nor is anything found in the act requiring the warehouseman to keep a separate account of the ownership of goods stored in the warehouse; that such a record, however, is required by regulation of the dairy and food commissioner; but that the statute provides no penalty for violation of the commissioner's regulations.

In concluding the court said:

"Manifestly it is to the interest of the public as well as all other parties concerned that warehousemen and the department charged with the administration of the law should cooperate so as to procure the desired results. In our determination of the issues presented upon this review, however, we are bound by the letter of the statute. If the statute is not comprehensive enough to require the keeping of records, which it is necessary for the department to have in order to carry the law into effect, it must be enlarged by amendment. The court cannot enlarge it by construction."

IN CONGRESS:

- S. 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce, has been reported out of the House Committee (Rept. No. 1273).
- H.R. 11074, by Mr. Ketcham, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, has been reported out of the Senate Committee, (Rept. No. 840).
- S. 1294, by Senator Borah, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce, has been reported out of the Senate Committee (Rept. No. 825).
- S. 3556, by Senator McNary, to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection utilization, forest economics and related subjects, has passed the Senate.
- H.R. 12632, by Mr. Furnell, to provide for the eradication or control of the European corn borer, has been reported out of the Senate Committee, (Rept. No. 859).
- S.J.Res.50, by Senator Smoot, providing that the Secretary of Agriculture be directed to give notice that on and after January 1, 1929, the Government will cease to maintain a market on Pennsylvania Ave. between 7th and 9th Streets, has been reported out of the Senate Committee (Rept. No. 825).

New Bills:

- H.R. 13173, by Mr. Bowman, to amend the Federal farm loan act, as amended.
- H.R. 13142, by Mr. Burdick, to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties".

- H.R.12892, by Mr. Ketcham, to foster agriculture and to stabilize the prices obtained for agricultural commodities by providing for the issuance of export debentures upon the exportation of such commodities. A similar bill (H.R.12893) was introduced by Mr. Jones.
- S. 3958, by Senator Jones, to bring about the reclamation of logged-off, swamp overflow, and arid unproductive lands\*\*\*improve home markets, provide airports, cold-storage plants and fertilizers more economically, improve the agricultural resources and marketing facilities of districts, provide for the disposal of public lands, and to pledge credit of the Government, to assist public corporations organized under State laws, and create a Federal reclamation and development board.
- S.J.Res. 129, by Mr. Ransdell, to provide for eradication of pink bollworm and authorizing an appropriation therefor.

#### Recent Publications.

"Strawberries in 1928", a mimeograph report by the Bureau of Agricultural Economics, in which plantings, production, shipments, prices, and other market factors are discussed.

"Relative Importance of Varieties and Sources of Carload Supply of Apples", a mimeograph report by the Bureau of Agricultural Economics.

"The Correlation of Research in Cotton Marketing," mimeograph address by B. Youngblood before General Session of Association of Southern Agricultural Workers, Memphis, Tennessee, February 2.

"A Handbook of Dairy Statistics," (Revision of Bureau of Animal Industry publication A.I. 37) issued by the U. S. Department of Agriculture.

"Marketing North Carolina Potatoes, Summary of 1927 Season", mimeograph report by the Bureau of Agricultural Economics.

"Correlation of Kernel Texture, Test Weight per Bushel, and Protein Content of Hard Red Spring Wheat," reprinted from Journal of Agricultural Research, Vol. 35, No. 12, issued by the U. S. Department of Agriculture.

"Rural Changes in Western North Dakota," Bulletin 214 issued by the North Dakota Experiment Station, Fargo, N.D.

"A Study of the Organization and Management of Dairy Farms in Northeastern Iowa," Bulletin 243, issued by the Iowa Experiment Station, Ames, Iowa.



STATE AND FEDERAL  
**MARKETING ACTIVITIES**  
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 2, 1928

Vol. 8, No. 18.

CONNECTICUT APPOINTS EDWARDS  
DIRECTOR OF MARKETS DIVISION.

Appointment of Sidney A. Edwards as Director of Connecticut's newly established Division of Markets has been announced by Commissioner of Agriculture Philo T. Platt, effective May 1. Mr. Edwards the last four years has been farm bureau agent for Middlesex County, where he organized two farmers cooperative associations, and was secretary of the Middlesex County Boys' and Girls' 4-H Club Fair.

Mr. Edwards' duties as Director of the Division of Markets will include supervision of the present market bulletin and reporting service, and alliance with the movement to standardize farm produce in New England.

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STILLWELL RESIGNS FEDERAL  
MARKET NEWS SERVICE.

The resignation of E. W. Stillwell, in charge of the Market News Service on Fruits and Vegetables, Bureau of Agricultural Economics, to become manager of the Clearing House Division of the Associated California Fruit Industries, Incorporated, effective May 16, has been announced.

Mr. Stillwell joined the agricultural market news service in July, 1917, and for two years specialized in that branch of marketing both at Washington and in the field. In the fall of 1919 he was assigned to truck crop estimating in California under the Bureau of Crop Estimates, and later returned to Washington where he engaged in standardization work until 1922 when he was placed in charge of the market news service on fruits and vegetables.

Last summer Mr. Stillwell was loaned to the California Vineyardists Association and was placed in charge of one of the district committees of that association in connection with clearing house activities. The Associated California Fruit Industries, Incorporated, includes the California Vineyardists Association and the California Deciduous Tree Fruit Association. Mr. Stillwell's duties as manager of the Clearing House Division of the Associated Industries will deal with the collection and analysis of market statistics on shipment, prices, market supplies and demand; the preparation of recommendations to members of the association with regard to shipping schedules calculated to produce the orderly marketing of California fruit crops, and with the general administration and organization of that division.

MELOY TO MAKE COTTON STUDY  
FOR PERUVIAN GOVERNMENT.

G. S. Meloy, cotton seed specialist of the Bureau of Agricultural Economics, has been granted three months leave of absence during which he will make a study of cotton ginning conditions in Peru for the Peruvian Government. During his absence, Mr. Meloy's work in cotton seed and linters standardization will be carried on by V. R. Fuchs and other members of the staff.

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KENTUCKY MAKES MARKETING SURVEY  
IN MIDDLESBORO TRADE AREA.

A survey of the marketing opportunities for various farm products produced in the Middlesboro, Kentucky, trade area has been made by the Middlesboro Chamber of Commerce in cooperation with the Kentucky Agricultural Experimental Station. The survey indicated the produce that is most needed in the Middlesboro market and pointed out special opportunities to the local farmers.

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MISSOURI PLANS TO ACCREDIT  
LIVESTOCK SHIPPING ASSOCIATIONS.

Tentative plans have been drawn for use by the Missouri College of Agriculture in accrediting livestock shipping associations and are being presented and discussed in a series of regional meetings throughout the State between officials of livestock shipping associations and representatives of the college.

The reasons for undertaking the accrediting of associations are to encourage efficiency in the production and marketing of livestock, promote the adoption of approved practices by the associations, secure additional protection to their membership, aid in securing a wider dissemination of market news and price information, render additional and more satisfactory services to livestock producers, increase the volume of shipments through cooperative agencies, and reduce the cost of marketing livestock.

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IDAHO EXPECTS BUSY SEED  
CERTIFICATION SEASON.

The seed certification staff of the Idaho Seed Commissioner's Office is looking forward to an unusually busy summer, due to a material increase in acreage to be certified. Marked expansion is predicted especially in Grim alfalfa production. New regulations have been drawn up for seed certification work, one of the more important changes being the requirement that the official representative sample be drawn by a deputy of the seed commissioner.



AGRICULTURAL SEASON HELD BACK  
BY BAD WEATHER.

Farmers have been handicapped this season by delayed field work and retarded growth of early crops due to excessive rains and cold waves over much of the country, according to the May 1 issue of the "Agricultural Situation". Considerable replanting of cotton and corn has been made necessary in the South, with complaints of a scarcity of good cotton seed in many sections.

"Among the important cash crops now going into the ground," says the report, "apparently potatoes are slated for one of the greatest increases in acreage. Growers have reported their intention to plant nearly 12 per cent more than last season's acreage. This increase may not actually occur, but if it does occur, and if 1928 is an average growing season, there is a real chance of a potato crop big enough to break the market next fall. Now is the time for potato growers to ponder all the possibilities.

"The livestock industries have closed a favorable winter marketing period, except in the case of hogs. Beef cattle, dairy, and lamb markets all have done well. It appears that there is still a heavy total supply of hogs and stored pork in sight for the next six months, but by next fall there is reason to expect a more favorable hog situation."

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NEW JERSEY TO OPERATE  
MARKETING DEMONSTRATION TRAIN.

Arrangements for operating a marketing demonstration train similar to that run so successfully in South Jersey last year have been made by Secretary William B. Duryee of the New Jersey Department of Agriculture, in cooperation with the Reading and Central Railroads of New Jersey. Exhibits on the train will include the types of packages bringing the largest profit to farmers, approved methods of packing, the advantages of grading and standardization and other modern marketing methods. This tour will begin July 16, and continue for one month.

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BURLINGTON STUDIES POSSIBILITIES  
OF ESTABLISHING A CITY MARKET.

Possibilities of establishing in Burlington, Vermont, a city market to handle farm produce from farmers within the trade area were discussed at a recent meeting arranged by the Agricultural Bureau of the Burlington Chamber of Commerce. About 75 representative farmers, marketing specialists and other business men participated.

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NORTH DAKOTA AGRICULTURAL COLLEGE will operate a dairy-poultry special train to make 90 stops throughout the State, from May 28 to June 30. Programs and exhibits will be under the direction of the Extension Division.



STUDY SHOWS NEEDS OF RANCH ORGANIZATION  
IN NORTHERN GREAT PLAINS AREA.

A detailed study of 304 ranches in the northern Great Plains region has been concluded by the Federal Department of Agriculture in cooperation with local agricultural colleges and experiment stations, the results of which have been incorporated into Technical Bulletin 45-T, entitled "A Study of Ranch Organization and Methods of Range-Cattle Production in the Northern Great Plains Region".

Some of the causes of the unsettled conditions in this region, say economists who made the study, are the results of such fundamental influences as the passing of the open ranges, which were formerly a part of the public domain, into small individually owned units through the various forms of homesteading, and the consequent development of dry-land farming.

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FRANCE AN IMPORTANT MARKET FOR  
AMERICAN FARM PRODUCTS.

A growing market in France for cereals and animal products, as well as an increasing demand for cotton and tobacco, are reported by Louis G. Michael, Department of Agriculture economist who has been making a series of agricultural surveys of foreign countries. This should give a wider market for wheat and, to a less extent, for lard and pork products from the United States.

Mr. Michael's survey has been published by the Department as Technical Bulletin 37-T, entitled "Agricultural Survey of Europe: France." Similar bulletins have been published by the department covering surveys of the Danube Basin, Germany, Argentina and Paraguay.

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FARM PRICES ADVANCE DURING MONTH.

Higher prices of all farm products except dairy and poultry products during the period March 15 to April 15 raised the index of the general level of farm prices from 137 per cent to 140 per cent of the pre-war level, reports the Bureau of Agricultural Economics. At 140 the index is 15 points above the index of a year ago.

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VIRGINIA PLEASED WITH SCALE TESTING.

Much interest in the testing of livestock scales in certain Virginia counties is reported by the Virginia Division of Markets. Tests made of 48 scales in Montgomery County indicate that approximately 50 per cent are incorrect, and a similar condition is being found in Pulaski County. Owners are interested in the testing work, and are having the scales repaired, re-tested and sealed.

IN CONGRESS:

- H. R. 11577, by Mr. Dickinson. The following conferees have been appointed to consider the Senate amendment to H.R. 11577, making appropriations for the Department of Agriculture for the fiscal year 1929: Senators McNary, Jones, Keyes, Overman and Harris for the Senate and Representatives Dickinson, Wason, Summers, Buchanan and Sandlin for the House.
- H. R. 12632, by Mr. Purnell, to provide for the eradication or control of the European corn borer, has passed the Senate.
- S. 3740, by Senator Jones, for the control of floods on the Mississippi River from the Head of Passes to Cape Girardeau, Mo., has passed the House.
- S.J.Res. 50, by Senator Smoot, providing that the Secretary of Agriculture be directed to give notice that on and after January 1, 1929, the Government will cease to maintain a market on Pennsylvania Avenue between 7th and 9th Streets, has passed the Senate.
- S.J.Res. 129, by Senator Ransdell, to provide for eradication of the pink bollworm, and authorizing an appropriation therefor, has passed the Senate.
- H. R. 6518, by Mr. Welch, to amend the salary rates contained in compensation schedule of the act of March 4, 1925, entitled "An Act to provide for the classification of the civilian positions within the District of Columbia and in the field," has been reported out of the House Committee (Rept. No. 1382)

New Bills:

- H. R. 13291, by Mr. Lankford, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce. A similar bill (H.R. 13269) was introduced by Mr. Aswell.
- S. 4175, by Senator Howell, to amend the Federal farm loan act as amended.
- S. 4206, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics.
- S.J.Res. 282, by Mr. Sweet, directing the Tariff Commission to conduct investigations under the flexible provisions of the tariff act of 1922, concerning the various agricultural products and providing funds therefor.

TITLE TO PROPERTY AUCTIONED PASSES TO PURCHASER  
IMMEDIATELY UPON COMPLETION OF SALE.

Stanhope State Bank v. Peterson.

Supreme Court of Iowa, March 6, 1928. (218 N. W. 262.)

In this case an action on a note is involved covering the sale of nine hogs at auction. The note was given for the purchase price. At the conclusion of the auction sale and after purchasing the hogs the purchaser requested the seller to leave the hogs in the pen on the latter's farm until the following day, and was informed that this was satisfactory and that it would be done. The sale occurred about 4:00 p. m. and after the sale was concluded, and after settlement had been made for the purchase and a note executed and delivered, a fire occurred on the farm about 6:00 o'clock in the evening of the same day, burning the hogs.

The note was contested on the ground, among others, that the hogs were sold as purebred hogs and that the seller was to furnish pedigrees of said hogs, but that inasmuch as the pedigrees were never furnished there was a failure of consideration for the note. Pedigrees were not furnished in view of the fact that the property had been destroyed, and therefore, that they would be useless. However, as ruled by the court, the failure to furnish the pedigrees did not defeat the passing of the title to the property, or render the sale without consideration.

On this point the code provides that a sale by auction is complete when the auctioneer announces its completion by the fall of the hammer or in any other customary manner. Quoting from the decision:

"Under the provisions of the statute and the undisputed evidence in the case, the sale was completed and the title to the property passed to the purchaser. Thereafter the seller, under an agreement between the parties, was a bailee only and the loss of the property by destruction through fire must fall on the purchaser and not on the seller."

Cases were cited in support of this ruling.

It is further found that upon the entire record the trial court was correct in its finding that the appellant had not proved a defense to the appellee's right to recover upon the note. The judgement appealed from therefore was affirmed.

H. F. Fitts.

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"SPINNING TEST OF ACALA COTTONS GROWN IN NEW MEXICO, (Crop of 1926)" has been issued in mimeograph by the Bureau of Agricultural Economics.

"POULTRY AND EGG MARKETING IN NORTH DAKOTA," is the title of Bulletin 215 issued by the North Dakota Experiment Station, Fargo.

"THE POTATO SITUATION IN IDAHO FOR 1928," is the title of a circular issued by the Idaho College of Agriculture, Moscow.



# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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Vol. 8, No. 19.

## TEXAS REPORTS ON RIO GRANDE VALLEY VEGETABLE MARKETING.

A study dealing with the services, facilities, and costs of marketing vegetables in the Lower Rio Grande Valley of Texas has been concluded recently by the Texas Agricultural Experiment Station, and the results published in Bulletin 378, issued by the Texas Station.

The study reveals the rapid increase in the production of vegetables in the Rio Grande Valley since 1913, the investigators declaring "there are more than 20 varieties of vegetables grown in the area and about 45,000 acres devoted to vegetable production." Information secured from 215 growers showed that the acreage planted in cabbage is more than twice that planted to any other vegetable crop in the area, and amounts to 30 per cent of the acreage of these farms.

In many instances, it was found, the price paid by the shipper to the grower for vegetables not yet harvested, and which the shipper harvests, is less than the cost of harvesting and preparing them for shipment. The scope of the study included the present marketing system, vegetables grown and marketing services rendered, and costs of harvesting. Suggestions are made for improved marketing practices.

Copies of the bulletin may be obtained from the Texas Agricultural Experiment Station, College Station, Texas.

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## PRODUCE COMMISSION MERCHANTS MUST ACCOUNT ON BASIS OF SALES.

Produce agents in all instances should account to shippers on the basis of prices actually received in good faith from third persons, according to the Bureau of Agricultural Economics, in response to inquiries regarding this particular accounting feature under the Produce Agency Act. The bureau bases its position on the fact that the Supreme Court of the United States, as well as the State courts, have held that an agent to sell cannot sell to himself.

The point has been raised as to whether an agent who is making sales on track, charging therefor a commission of, say, 7 per cent, and who takes part of the contents of the car to his own store for sale, must account on the basis of the price received through the store, or may account on the basis of the price received on track. Obviously, under the policy outlined above, the bureau says, the agent must make his returns on the basis of the price

received for sales through the store for the portion so sold, while returning on the basis of track price for the portion actually sold on track.

The bureau points out that this does not compel produce commission merchants to handle produce through their stores at 7 per cent, or whatever the track sales commission may be, but that such merchants are entitled to the commission that is usual and proper for sales made through the store.

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#### LOUISIANA REPORTS RESULTS OF SHIPPING-POINT INSPECTION.

Higher quality potatoes and other vegetables are being sent from numerous sections of Louisiana as a result of Federal shipping-point inspection service, according to Hunter S. Moles, supervising inspector, U. S. Department of Agriculture and the Louisiana agricultural extension service.

Full time inspectors are now located at Houma, Franklin, New Iberia, Breaux Bridge, Glenmora and Dalcour. Shipments are also being made from Lafayette and are being inspected by a part-time man. Full time inspectors have been requested for Bogalusa, Woodside, Thibodaux, St. Francisville, Franklinton, Hammond, Amite, Ponchatoula and Lockport.

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#### NEW JERSEY REPORTS REDUCTION IN FREIGHT RATES.

A reduction in freight rates from the South Jersey fruit and vegetable section to Jersey City, Elizabeth and Newark has been made by the Central Railroad of New Jersey, effective at once, reports the New Jersey Department of Agriculture.

It is estimated that a saving to the farmers of many thousands of dollars will be effected by the new rates, with the most noticeable differences on less than carlot shipments of asparagus, strawberries and peaches. The change in the table of rates was made by the railroad officials after several visits to the office of Warren W. Oley, Chief of the Bureau of Markets of the Department. The cuts were entirely voluntary on the part of the railroad and were made in the interest of holding their present business against the inroads made by the truck haulers.

On shipments of 50-pound crates of berries from Elm the reduction is 22 1/4 cents, including hauling to New York City. From Landisville and Wheat Road the saving will be 19 1/4 cents per crate, and from Vineland, Norma, Main Road, Rosenhayn, Woodruff, Fairton, Cedarville and Bridgeton, it will be 14 1/4 cents. The rate is reduced from 59 1/4 cents to 47 cents for shipment from Newport, Mauricetown, Port Norris and Greenwich.

OHIO COMPLETES STUDY OF  
CARLOT MARKETS FOR APPLES.

A study of carlot markets for Ohio apples, made by Charles W. Hauck, of the department of rural economics, Ohio State University, shows that in only 14 out of 41 cities studied, were any Ohio apples received by rail during the period July 1, 1926 and June 30, 1927. Less than 8 per cent of the unloads in the cities of Ohio and adjoining states, were Ohio apples. However, in several of the markets studied, local receipts by motor truck made up a considerable portion of the apple supply. These shipments account for the consumption of some Ohio apples in Ohio markets and cities of adjoining states.

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HAY SHIPPERS WARNED AGAINST  
ALTERING GOVERNMENT CERTIFICATES.

Cautioning shippers of hay against altering shipping point inspection certificates issued under the Federal-State hay inspection service, either by erasure or addition, or in any other manner, the United States Department of Agriculture has just published the following facts in a recent case of this kind.

A Federal-State inspector inspected a lot of about 12 tons of hay on a farm for which he issued a certificate, grading the hay U. S. No. 2 Timothy. The shipper subsequently shipped a carload of hay to Chicago, and inserted on the inspection certificate the number of the car, thus making it appear that the hay had been inspected in the car.

Examination of the hay upon arrival at destination disclosed that it graded variously U. S. No. 3 Timothy Medium Clover Mixed; U. S. No. 2 Timothy; Threshed Timothy (not hay), and U. S. Sample grade Timothy (badly stained, musty). This seemed to indicate that there was some hay in the car which was not covered by the inspection certificate, the explanation being that some hay in the barn which had not been inspected had been either negligently or improperly mixed with the inspected lot and loaded in the car.

In any case, the department points out, the addition of the car number on the certificate was improper as it imported that the hay had been inspected in the car, which was not the fact.

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USE OF ECONOMIC INFORMATION DISCUSSED  
AT MINNESOTA CONFERENCES.

Use of economic material was a lively topic of discussion at recent conferences of county agents attended by agents from southern, central, and northeastern Minnesota. Under a proposed plan, conferences of leading farmers of the county would be held to discuss the economic relationship of the various farming enterprises to each other.



"LOOSELY DONE" EGG MARKETING  
CUTS IOWA POULTRY PROFITS.

Market eggs must be graded or standardized in order to return to the producer the maximum profit, according to W. D. Termohlen, extension poultry marketing specialist of Iowa State College, who estimates an annual loss of \$5,000,000 to the poultry raisers of Iowa through careless handling and improper marketing practices.

"Every farmer," Mr. Termohlen declares, "should demand the full value for the eggs he produces and should insist that the eggs be bought on a graded basis." He says that to improve the quality of eggs there should be a strong, healthy, standard bred flock properly cared for; plenty of clean nests for the hens; separate males from the flock at end of hatching season; gather eggs at least once a day; never wash eggs unless they are to be used immediately; keep eggs in a cool, fairly dry place; sort out dirty, cracked and inferior eggs; protect eggs from cold and heat when being taken to market; do not allow birds to roost on the edges of nests at night, as this means dirty eggs; study the market and insist that eggs be bought on a quality or graded basis.

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FRUITS AND VEGETABLES NOW WELL  
DISTRIBUTED TO SMALLER CITIES.

Much progress has been made in enlarging the demand for fruits and vegetables by effecting a wider and more thorough distribution among the consuming population, reports the Bureau of Agricultural Economics. Dealers using their own or hired trucks, and hucksters and pedlers who handle locally-grown as well as shipped-in produce, have widened the area and increased the intensiveness of distribution. Their task, says the bureau, has been made easier by the general development of the fruit and vegetable industry, which has improved the quality of produce offered, lessened waste, and made perishables available throughout a longer season.

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A SHORTAGE OF YOUNG HORSES in the next few years with materially increased prices of work horses is looked for by C. E. Ladd, director of extension at the New York State College of Agriculture, according to a recent bulletin issued by the College.

THE EAST TENNESSEE FARMERS' CONVENTION and the Middle Tennessee Farmers' Institute will be held at Knoxville, Tenn., May 15 and 16, and Columbia, May 16 and 17, respectively. The agricultural outlook, farm plans to meet present and future conditions, and pasture and livestock problems will be discussed.

THE PROGRAM OF THE AMERICAN INSTITUTE OF COOPERATION, to be held at the University of California at Berkeley in July this year, is now available. Copeys may be obtained from the Secretary's office, 1731 Eye Street, Washington, D. C.

FEDERAL PLANT QUARANTINE ACT CONFERS EXCLUSIVE  
JURISDICTION OVER INTERSTATE SHIPMENTS

American Express Co. v. Morris  
Supreme Court, Oklahoma, January 10, 1928.  
(264 Pac. 619)

The American Express Company appealed from a judgment rendered against it in the District Court of Stephens County.

The plaintiff, Morris, alleged damages sustained to his sweet potato crop by reason of weevil infestation and ensuing quarantine established by the State Board of Agriculture. It was alleged that the Express Company transported sweet potato plants from Texas into Oklahoma in violation of quarantine regulations promulgated by the State Board of Agriculture under authority of State law. For reversal it was urged that the trial court erred in over ruling the defendant's demurrer to plaintiff's amended petition. The plants giving rise to this action having originated in Texas and having been delivered in Oklahoma, were controlled by the Act of Congress of August 20, 1912, as amended by the Act of March 4, 1917 (Plant Quarantine Act.)

In the opinion, reference is made to a decision handed down by the U. S. Supreme Court wherein a law of the State of Washington was construed as similar to the Oklahoma law. The substance of the opinion was that in the absence of any action taken by the U. S. Congress on the subject-matter, a State, in the exercise of its police power, may establish quarantine against human beings, animals, or plants, the coming of which may expose inhabitants or stock or growing crops to disease, injury, or destruction, even though affecting interstate commerce. However, the Plant Quarantine Act of Congress gave the U. S. Department of Agriculture exclusive jurisdiction over the horticulture and agriculture of the several states so far as affected injuriously by transportation in interstate and foreign commerce. In view of this, the State laws empowering Directors of Agriculture to establish quarantines against the importation of infected plants cannot be given application. The trial court did not rule for defendant on its demurrer, which, in effect, denied that the amended petition of plaintiff stated a cause of action. The Appellate Court, however, sustained defendant on its demurrer, and the judgment of the trial court was reversed.

- H. F. Fitts.

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SERVICES FOR THE DAIRY INDUSTRY by the Bureau of Agricultural Economics has been issued in mimeograph by the bureau.

A STUDY OF FARMER ELEVATOR OPERATION IN THE SPRING WHEAT AREA, Series of 1926-27, Part I, has been issued in mimeograph by the Bureau of Agricultural Economics.

MARKETING NORTH CAROLINA POTATOES, Summary of 1927 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

IN CONGRESS:

- S. 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce, passed the House with amendments to which the Senate disagreed and requested a conference; conferees were appointed by both Houses.
- S. 3740, by Senator Jones, for the control of floods on the Mississippi River from the Head of Passes to Cape Girardeau, Mo., has been reported out of conference.
- H.R. 10151, by Mr. McFadden, to amend section 9 of the Federal reserve act, has been forwarded to the President for his signature.
- H.R. 6518, by Mr. Welch, to amend the salary rates contained in compensation schedule of the act of March 4, 1925, entitled "An act to provide for the classification of the civilian positions within the District of Columbia and in the field", has been reported out of the House Committee (Rept. No. 1503).
- S. 1727, by Senator Dale, to amend the act entitled "An act for the retirement of employees in the classified civil service" has passed the Senate.
- S.J.Res.61, by Senator Capper, to provide for an agricultural day, has been reported out of the House Committee (Rept. No. 1504).

New Bills:

- H.R. 13504, by Mr. Rankin, to amend the act of Aug. 11, 1916, known as the United States Cotton Futures Act, as amended, by investing transactions in cotton for future delivery with public interest; providing a commission to supervise cotton future exchanges; defining and prohibiting manipulations and squeezes.
- S. 4271, by Senator Tydings, creating a commission to investigate and report on the relocation of the food distributing district of the District of Columbia to be moved to make way for the public building program.
- S. 4269, by Senator Smoot, to amend the salary rates contained in the compensation schedules of the act of March 4, 1923, entitled "An act to provide for the classification of civilian positions within the District of Columbia and in the field service."
- H.R. 13565, by Mr. Gibson, to amend the act entitled "An act for the retirement of employees in the classified civil service".



STATE AND FEDERAL  
MARKETING ACTIVITIES  
AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 16, 1928

Vol. 8, No. 20.

AMERICAN FARMERS NEED INFORMATION  
ON FOREIGN SUPPLY AND DEMAND.

Declaring that the prices received by American farmers for 90 per cent of their products are influenced by foreign competition and demand, Lloyd S. Tenny, chief of the Bureau of Agricultural Economics, emphasizes the need for a constant flow of reliable information on the development of competition in our foreign and domestic agricultural markets and on the capacity and preferences of foreign markets.

"In actual volume," Mr. Tenny says, "our agricultural exports are larger than before the World War, although it is true that the proportion of our total agricultural production available for export is declining. This diminishing proportion of exported products may be largely accounted for by the increasing demand of our growing population, but it is also due in part to a gradual change in the character of American agriculture away from the extensive production of a few great staples toward a more intensive and specialized system of farming. Increased world production of many products, together with improved transportation facilities, have made world competition keener than ever before, and there probably has been no time in our history when it was more necessary to keep informed concerning the changes in foreign production and consumption of agricultural products.

"Prosperity in American agriculture will call for close adjustments in our production and marketing programs to meet the changing world situation. The United States Department of Agriculture, through its own offices abroad, and with the cooperation of the Departments of State and Commerce, has made a beginning in fulfilling the need for foreign information, but increased facilities will be required if an adequate service is to be rendered to American farmers."

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CLEARING HOUSE IS ORGANIZED  
BY FLORIDA FRUIT GROWERS.

Florida citrus growers have recently formed a growers' organization known as the Florida Citrus Growers' Clearing House Association. This is a cooperative association organized under the cooperative statute of Florida, and conforming to the provisions of the Capper-Volstead Act.

The growers, through this organization, propose to provide for the grading and inspection of all fruit of its members, for the advertising thereof, and for assembling and analyzing market and crop information which will serve as a basis for planning a more intelligent and systematic program for covering the shipment and distribution of Florida citrus fruit. The association is now engaged in a membership drive and unless 60 per cent of the Florida citrus fruit is signed up by July 1, the plan does not become operative.

MISSOURI LIVESTOCK MANAGERS  
TO GRADE LAMBS AT MARKET.

Managers of 463 cooperative livestock shipping associations in Missouri will take special training in the grading of lambs and vealers at four central markets the end of this month under the direction of packer buyers, according to Harry C. Hensley, marketing specialist at the Missouri College of Agriculture. The markets include St. Louis, Kansas City, Springfield, and St. Joseph.

A part of the sessions will be given over to a discussion of the proposal of the Missouri College of Agriculture to accredit livestock shipping associations.

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PENNSYLVANIA REPORTS INTEREST  
IN CERTIFIED SEED POTATO GROWING.

More interest in the production of certified seed is being shown by potato growers this year than ever before, according to the Pennsylvania Department of Agriculture.

While the growers have until June to enroll, more than 75 acres have already been entered and three new counties have made inquiries regarding the possibilities of getting work done.

Production standards have been made somewhat more rigid this year, important change being that fields intended for the production of certified seed must be isolated from other potato fields in order to reduce the spread of degenerative diseases by insects.

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NEW JERSEY DAIRYMEN CONFRONTED  
WITH ECONOMIC PROBLEMS.

The disposal of fluid milk on the market, and the feed-cost aspect of the milk each dairymen sells are two important economic problems tending to become more complex as time passes which confront New Jersey dairymen, according to R. G. Connelly, assistant extension specialist in dairying in that State.

Many of the New Jersey fluid milk markets, Mr. Connelly says, are endeavoring to carry a milk surplus burden which tends to become greater as the spring season advances. Unemployment in the cities, greater quantities of milk produced within the State, increased volumes from neighboring States, along with certain milk price complications, contribute in no small way to the difficulties associated with the existing market milk surpluses. This condition in the markets is developing competition which may be advantageous to the consumer but not satisfactory to dairymen.

Dairymen are urged to study their methods and equipment in detail, to stop financial leaks in the form of inefficient cows, irregular and haphazard management, and low quality rations. They should know the feed market, and use careful feeding practices.



WEST VIRGINIA TO ISSUE CERTIFICATES  
OF QUALITY OF EGGS.

The State Poultry Plant at Parkersburg, West Virginia, has been authorized by the U. S. Department of Agriculture to issue certificates of quality on its eggs. To issue and use certificates of quality with eggs, it is necessary to have a Federal egg inspector supervising the packing of the eggs.

Ray Wiseman, inspector for the State Department of Agriculture, located at the State Poultry Plant has been authorized by the Federal department to issue Federal certificates on all eggs packed under his inspection. These certificates of quality guarantee to the consumer a product that is absolutely as represented.

Housewives in a number of cities are demanding Federal inspected eggs. All government contracts for supplies of poultry and butter are now subject to Federal inspection and a number of state institutions are also demanding this inspection and certificates furnished by the Federal department.

Eggs packed in cartons and sealed with these certificates of quality were distributed by the State Poultry Plant about May 1. Only the top grade, U.S. Extras, are packed for this distribution.

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PORK STOCKS CONTINUE TO FEATURE  
COLD STORAGE SITUATION.

Larger holdings of pork as compared with a year ago continue to feature the cold storage situation according to the May report of the Bureau of Agricultural Economics. Stocks of creamery butter were larger on May 1 this year as compared with a year ago, but decreases are reported for poultry and eggs.

Total meats in storage May 1 aggregated 1,077,957,000 pounds against 893,523,000 pounds on May 1 a year ago. Beef stocks were less than those of last year, but the supply of frozen pork is placed at 306,098,000 pounds against 204,608,000 pounds a year ago. Figures on dry salt pork and pickled pork fully cured and in process of cure are larger than for May 1 last year.

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HIGH AMERICAN STANDARD OF LIVING  
TO CONTINUE INDEFINITELY, SAYS ECONOMIST.

Farm production in the United States in the five years 1922-26 was about 14 per cent greater than in the five years 1917-21, whereas population increased less than 9 per cent, according to Dr. O. E. Baker, Bureau of Agricultural Economics. Moreover, he says, this notable increase in agricultural production occurred despite a decline in the area in crops and the number of livestock and also in the number of persons engaged in agriculture.



Standards of living, he adds, have risen in North America and most of Europe despite the rapid increase in population. "The United States because of the increasing use of mechanical power and application of science in agriculture, and also because of the decreasing rate of gain in population may escape any reduction in the standard of living indefinitely, although some minor changes in diet may be necessary." Our agricultural production, he says, will probably continue to keep pace with the increase in population, at least until the population reaches 200,000,000.

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COLD STORAGE SPACE NEEDED DESPITE  
CHANGING POULTRY PRACTICES.

Increasing egg production at an earlier date in the winter than usual and the production of out-of-season broilers have caused apprehension in the cold storage industry over the possibility of a decrease in the amount of cold storage space required for poultry and eggs. According to Rob R. Slocum, Bureau of Agricultural Economics, the volume of these products produced and stored during the normal season will continue to be as great as at present, or even increase with the normal increase in population.

"It is probable," he says, "that both increased production of eggs during the fall and early winter and increased production of broilers out of the normal season will continue to expand. On the other hand, it must be remembered that the great bulk of the annual egg and poultry crop of the United States is the product of general farms of the Middle West and only a relatively small part of the product of specialized poultry farms.

"While specialized farms are increasing in number and importance there is no reason to anticipate that the farm flocks will not continue for years to come to produce the greater part of our poultry and egg supplies. Moreover, the eggs from these flocks will be produced largely in the spring months and the poultry raised will be hatched during the normal spring months and marketed during the fall and early winter.

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FARM BUREAU CONFERENCE ENDORSES  
COTTON MARKETING RESEARCH.

The Western Regional Conference of the American Farm Bureau Federation passed resolutions commending the publication of price forecasts and price estimates by the United States Department of Agriculture, and recommended continuation and enlargement of the service. Production studies in foreign countries were recommended. The Conference also recommended that "Congress shall provide sufficient funds for the use of the department to conduct cotton marketing investigations and researches," and "to pass any and all legislation needed to furnish authority to the Secretary of Agriculture through his representatives to make such studies and researches and to publish records of the same."

VENTILATION OF CAR CONTAINING PERISHABLES IS SHIPPER'S  
DUTY UNDER CONDITION PRINTED IN BILL OF LADING.

Louisville and N. R. Co. v. Riley, et al, 160 N.E. 730.  
Court of Appeals of Ohio, Hamilton County.

The Louisville and N.R. Co. appealed from judgment in favor of Riley based upon the deterioration in condition of a carload of bananas. The car was shipped from New Orleans and arriving in Cincinnati was placed in the banana shed maintained by the railroad.

Plaintiffs contended that the bananas were delivered to the railroad in good merchantable condition but that when tendered to plaintiffs at destination they were in a badly damaged and deteriorated condition, as a result of which considerable loss was suffered. It was alleged in defence that the damage was due not to any negligence on the part of the railroad but to the inherent nature of the fruit. The railroad contended that under regulations of the Interstate Commerce Commission its tariffs were on file covering the shipment of perishable products under which it is provided that the shipper could furnish a caretaker who would be hauled free of charge, or agents charged with the duty of protecting the bananas. The tariff provides also the conditions of caring for perishables which are substantially, that it is incumbent on the shipper to make the arrangements necessary for protective service. It was further alleged that plaintiffs gave no instructions regarding protective service as provided in the bill of lading. The jury rendered a verdict for the amount asked in the petition and judgment was entered. Appeal was taken on error, the grounds assigned being that the verdict was manifestly against the weight of the evidence; that it was not supported by sufficient evidence; and that there was error in the charge of the court.

In reviewing the case the court found that under the contract (bill of lading) no duty devolved upon the railroad in connection with the particular circumstances of this case; in fact the railroad could not interfere with the ventilation of the car as the only cause given for deterioration of the bananas was lack of ventilation during a time in which the railroad was not shown to have breached any duty owed by it; that the duty under the contract rested on the shipper or on the consignee to attend to the ventilation; that when the shipper by express stipulation undertakes to ventilate a car the carrier is relieved of all responsibility as to ventilation; that had the damage been occasioned by any cause other than improper ventilation the burden of proof would have been on the carrier. It was considered therefore that the trial court was in error in over-ruling the motion to direct the verdict for the railroad. Judgment was reversed.

IN CONGRESS:

- H.R. 11577, by Mr. Dickinson, making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1929, has been reported out of conference carrying the same amount for this bureau as was allowed by the Senate, with the exception of a reduction of \$50,000 from the appropriation for Marketing and Distributing Farm Products, for grading and marking meats.
- H.R. 7459, by Mr. Morgan, to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards has passed both houses and has been signed by the Speaker of the House.
- S. 2148, by Senator McNary, to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, has passed the Senate. A similar bill (H.R.8907) introduced by Mr. Perkins, has passed the House.
- S. 3845, by Senator Heflin, to prohibit predictions with respect to cotton or grain prices in any report issued by any Department of the Government\*\*\*, has passed the Senate, amended so as to not include grain.
- S. 1727, by Senator Dale, to amend the act entitled "An act for the retirement of employees in the classified civil service," has been reported out of the House Committee.
- H.R. 10958, by Mr. Haugen, to amend the definition of oleomargarine, contained in the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine", has been reported out of the House Committee.

New Bills:

- H.R. 13646, by Mr. Vinson, of Georgia, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton future exchanges, has been reported out of the House Committee.
- S. 4411, by Senator Smith, to amend the U. S. Cotton Futures act, by providing for the delivery of cotton tendered on futures contracts at certain designated spot cotton markets, by defining and prohibiting manipulation, by providing for the designation of cotton futures exchanges.
- H.R. 13649, by Mr. Smith, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce.



STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

May 23, 1928

Vol. 8, No. 21

NEW ENGLAND COOPERATION INSTITUTE  
TO BE HELD AT AMHERST, MASSACHUSETTS.

Concerted action in the analysis and solution of cooperative problems common to the New England states is the purpose of the second New England Institute of Cooperation to be held at Amherst, Massachusetts, June 26 to 29 inclusive.

The first institute, sponsored jointly by various New England cooperative associations and by the several agricultural colleges and extension services, was held at Storrs last year. The program was so successful that it was decided to make the institute an annual event. The institute furnishes a means of bringing together cooperative and other farm leaders, county and state extension specialists, and other groups interested in New England farm economic problems.

The second program is organized around the topic: "The Place of Cooperation in New England". This involves an analysis of the present situation and an attempt to evaluate the extent to which cooperative action can be effective in the solution of the problems. The situation with respect to various commodities will be presented by experts in each line, and prominent authorities will discuss the results of cooperative action in other parts of the country insofar as they are applicable to New England conditions.

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FLORIDA MAKES SURVEY OF  
CITRUS FRUIT DISTRIBUTION.

A survey of the Florida citrus fruit industry has been completed by Commissioner L. M. Rhodes of the Florida State Marketing Bureau, in which an effort was made to determine the percentage of the total Florida citrus crop marketed by the various distributors and other agencies. It was learned that 97 agencies distributed about 45,000 cars of the 1926-27 crop, and that of these 97 agencies 50 distributors marketed about 91 per cent of the shipments.

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MASSACHUSETTS ANNOUNCES GRADES  
FOR VARIOUS PRODUCTS.

Official grades for eggs, strawberries, bunched carrots, radishes, celery, beets, turnips, and asparagus have been announced by Commissioner A. W. Gilbert of the Massachusetts Department of Agriculture. Copies may be obtained from Commissioner Gilbert, 136 State House, Boston.

INTERSTATE COMMERCE COMMISSION  
REPORTS ON MOTOR TRUCK TRANSPORTATION.

Regulation of motor trucks and bus lines, and the development of freight service by motor trucks form the subject of a lengthy report of the Interstate Commerce Commission known as docket No. 18,300. The report grew out of a series of hearings throughout the United States during 1927 and early 1928, the purpose of which was to bring to light facts regarding motor truck and bus transportation with the view of recommending regulatory measures.

The Commission states that throughout the hearings few complaints were registered against the service rendered by either contract carrier or common-carrier trucks. Motor-truck service for short hauls was generally commended by shippers. Promptness of delivery was recognized as an important advantage. Reporting on the increase in transportation of live-stock by motor truck the Commission says:

"Through the use of the railroad and motor trucks, farmers are now enabled to save 18 to 36 hours in delivering their livestock to market. This, of course, applied to short hauls of 150 miles or less. Three and one-third million hogs were motor trucked to 15 principal markets in the United States in 1925. This approximated 11 per cent of the total receipts. Calves, cattle, and sheep, likewise, are being hauled to market in increasing numbers by motor truck.

"Shipments of poultry by motor truck are increasing in number. A farmer in Minnesota stated that though there was a shrinkage of five or six pounds per crate on rail shipments, it was only about one pound when motor trucks were used. He can deliver his poultry in Minneapolis, a distance of about 50 miles, in a little over two hours by truck and is enabled to obtain the benefit of the Minneapolis market price which is usually five or six cents per pound over his local market.

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EGG PRICES INFLUENCED  
BY MARKETING METHODS.

The method of sale, according to a recent study, is one of the most important factors influencing prices received by Massachusetts poultrymen, according to H. W. Yount in the May 15 issue of the Massachusetts Agricultural Review. Price differences due to marketing methods, he says, are substantially greater than differences due to quality alone.

"The need for improved selling methods is shown by prices received during the 1926-27 season. Out of reports from 430 poultrymen, 131 reported poultry as their principal business. Retail prices received by this group during May ranged from 35 to 55 cents per dozen. The wholesale prices ranged from 29 to 45 cents per dozen. Twenty-seven growers received a retail price below the highest wholesale price received. High winter retail prices ranged

wholesale prices ranged from 50 to 95 cents. Only 22 growers received a retail price above the highest wholesale quotation. The price range, both wholesale and retail, was substantially larger among the smaller poultrymen deriving most of their income from some other enterprise.

"The wide range in prices is due partly to difference in quality, partly to differences between markets, but mostly to differences in selling methods. Poultrymen who sell their eggs at retail direct to consumers perform more services and naturally command higher prices. The average premium received is 10 cents per dozen in the spring and 12 cents in the winter months, according to reports from poultrymen.

"This advantage may mean the difference between profit and loss to the small poultryman who can afford to take the time to retail his eggs. A number of farmers have built up a good retail trade at the farm, and reported prices are as high as those received when eggs are delivered to the consumer. Many growers located on or near good roads report little difficulty in selling most of their eggs at retail at the farm throughout the year.

"The most common methods of selling at wholesale are to the local farm buyer and to retail stores. Prices received from retail stores average 3 to 5 cents per dozen more than from local buyers. Selling to country stores ranks third in importance and prices received average about the same as from local buyers. Selling on commission is not a general practice, but growers using this method report returns above those paid by the local buyer or the local store.

"Only 74 growers out of 430 candle their eggs, and many of these candle only at certain seasons. Grading or sorting on the basis of size, weight, or color was reported on 68 farms. Fifty growers use a special carton, while 20 report the use of a special label to identify their goods."

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#### TENNESSEE FARMERS ADOPT FARM PROGRAM.

A farm program in which lower costs of production and greater marketing efficiency are important elements was adopted by farmers of east Tennessee assembled at their Fifty-fifth Annual Convention at the University of Tennessee, May 15-16. The meeting was attended by representative farmers from practically every county in east Tennessee,

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"CANTALOUPE IN 1928" is the title of a mimeograph by the Bureau of Agricultural Economics, in which acreage, shipments, and other marketing factors are discussed.



ECONOMIC INFORMATION IMPORTANT  
IN EXTENSION ACTIVITIES.

The importance of economic information such as outlook reports and the interpretation of crop and livestock reports, intentions-to-plant and breed, and market information was stressed at the joint meeting of Directors of Extension with officials of the United States Department of Agriculture, at Washington, D. C., last month.

Lloyd S. Tenny, chief of the Bureau of Agricultural Economics, declared that the development of information has proceeded more rapidly than the use and application of this information, and that it will be the policy of the bureau to devote special effort to the dissemination of economic information. He also said that it will be the policy of the bureau to carry on its extension activities through the established extension organization of the United States Department of Agriculture and the respective state agricultural colleges.

The meeting went on record as declaring that "the information developed by the Bureau of Agricultural Economics along the line of price trends and outlook based largely upon interpretations of crop and livestock reports, intentions-to-plant and breed, and market information, is of vital importance to the agricultural welfare and constitutes the most reliable basis for stabilizing agricultural production and adjusting quantity and quality produced to market needs. It is also important that farm management and cooperative marketing projects be further strengthened and developed, and that extension agencies keep in touch with the Bureau of Agricultural Economics in the field of taxation, finance, land utilization, grading and standardizing, farm population and rural life studies."

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RECENT PUBLICATIONS.

"Marketing Arizona Cantaloupes, Summary of 1927 Season," mimeograph by the Bureau of Agricultural Economics.

"Marketing East Texas Tomatoes, Summary of 1927 Season," mimeograph by the Bureau of Agricultural Economics.

"Services for the Dairy Industry," mimeograph by the Bureau of Agricultural Economics.

"Methods and Cost of Raising Lambs to Marketable Age," Bulletin 253 by the North Carolina Agricultural Experiment Station, Raleigh.

"Poultry and Egg Marketing in North Dakota," Bulletin 215 by the North Dakota Agricultural Experiment Station, Fargo.

INITIAL CARRIER RESPONSIBLE TO DESTINATION ONLY UPON  
ISSUANCE OF "THROUGH BILL OF LADING."

Chase & Co. v. Florida East Coast Railway Co.  
Supreme Court of Florida, December, 1927. (115 Sou., 825)

Chase & Co. brought an action against the Florida East Coast Railway Co., as the initial carrier, for damages to interstate shipment of tomatoes. It appears that the bill of lading issued by the railroad company covered the shipment from the point of origin in Florida to Waycross, Georgia, and that the tomatoes arrived in good condition at that place. Subsequently, upon orders from the plaintiff, the shipment was diverted and transported to other points, finally reaching Wilkes-Barre, Pennsylvania. The tomatoes were refused by consignee at that point, due to alleged decayed and injured condition. This suit was brought on the ground that the initial carrier is responsible for the transportation through to destination.

Under the Federal statute, a common carrier receiving property for interstate transportation is held to be liable for loss or damage caused by it or any common carrier to which the property may be delivered or over whose lines the property may pass when transported on a through bill of lading. In this case, however, the bill of lading covered shipment only to Waycross, all later movements of the property having been made at the instance of the plaintiff.

Plaintiff's contention was that as the defendant was the initial common carrier under the Interstate Commerce Act, the question of the number of diversions was immaterial and that when the goods were delivered to the carrier to be moved in interstate commerce, the point of ultimate destination was immaterial.

In reviewing the case, the Court observed that while it is true that the point of ultimate delivery and diversions in transit may be immaterial as to the character of the shipment as interstate transportation when the transportation is practically continuous, yet the liability of the initial carrier is not fixed by the interstate character of the shipment alone, but is regulated by the through bill of lading issued by the initial carrier; that it does not appear that the shipper demanded or desired a bill of lading other than from the Florida point to Waycross, Georgia, or that a right to divert the shipment was asked or expected to be expressed in the bill of lading or otherwise recognized by the defendant; but that the plaintiff accepted the bill of lading as issued, and directed movements beyond Waycross without reference to the defendant or the bill of lading issued by it.

On this finding the judgment of the Court for the defendant was affirmed.

- H. F. Fitts.

IN CONGRESS:

- H.R. 7459, by Mr Morgan, to authorize the appropriation for use by the Secretary of Agriculture of certain funds for wool standards, was signed by the President of the United States on May 17.
- S. 2148, by Senator McNary, to fix standards for hampers, round stave baskets and splint baskets for fruits and vegetables, was presented to the President of the United States on May 19, for signature.
- S. 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce, has been presented to the President of the U. S. for his signature.
- S.J.Res.129, by Senator Ransdell, to provide for the eradication of pink bollworm and authorizing an appropriation therefor, has been signed by both the Vice-President and the Speaker of the House.
- S. 3740, by Senator Jones, for the control of floods on the Mississippi River from Head of Passes to Cape Girardeau, Mo., was signed by the President of the United States, on May 15.
- H.R. 6518, by Mr. Welch, to amend the salary rates contained in compensation schedule of the act of March 4, 1925, entitled "An Act to provide for the classification of the civilian positions within the District of Columbia and in the field, has passed the Senate, and has been sent to conference.
- S.J.Res. 46, by Senator Norris, providing for the completion of Dam No. 2 and steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals for the manufacture and distribution of fertilizer, has passed the House with amendments and has gone to conference.
- S. 2149, by Senator McNary, authorizing and directing the Secretary of Agriculture to investigate all phases of crop insurance, has passed the Senate.
- S.J.R. 50, by Senator Smoot, providing that the Secretary of Agriculture be directed to give notice that on and after January 1, 1929, the Government will cease to maintain a market on Pennsylvania Avenue, between 7th and 9th Streets, has been reported out of the House Committee.

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"Potatoes in Massachusetts Farm Economy," Extension Leaflet 119 by the Massachusetts Extension Service, Amherst.

"Rural Changes in Western North Dakota," Bulletin 214 by the North Dakota Experiment Station, Fargo.



# STATE AND FEDERAL MARKETING ACTIVITIES AND OTHER ECONOMIC WORK

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## COTTON GRADE AND STAPLE REPORTS TO COVER SOUTH.

Estimates on the grade and staple length of cotton produced in the United States this year will be issued by the Bureau of Agricultural Economics beginning in October and ending in April, 1929. The service is provided under Congressional authority following the successful outcome of an experimental service along this line with regard to cotton produced in Georgia and a selected area including adjacent counties in Texas and Oklahoma the past year.

Each monthly report will give the grade, staple and tenderability of the cotton reported ginned according to the Bureau of the Census. A report of the carry-over by grade and staple as of August 1, 1928, will also be issued as soon as practicable after that date. The service is to be conducted in cooperation with the Land Grant Colleges, Extension Services and Agricultural Experiment Stations of the Cotton Belt States.

The reports of last year yielded data showing the percentage of tenderable and untenderable cotton and the various grades and staple lengths. The bulk of the cotton examined from the Georgia, Texas and Oklahoma areas was of high grade, but a large proportion of staple lengths was below average mill requirements. Studies of Georgia mill consumption showed that Georgia mills consumed approximately 288,000 bales of 7/8 inch cotton, but that Georgia produced approximately three times this quantity of short cotton required by the Georgia mills. Georgia mills consumed more than 600,000 bales of 15/16 inch cotton last year, but Georgia produced only 172,000 bales of that length.

The bureau has established classification offices for the new work at Atlanta, Memphis, Dallas, Austin and El Paso, in each of which will be a board of cotton classers. A corps of field men will work in connection with each office to make arrangements with representative gins for submitting a sample of each bale ginned to the field office and to maintain contacts with these gins throughout the season. Such an arrangement will be made with approximately 1,500 representative gins throughout the cotton belt.

The samples submitted to each field office will be classified immediately and daily reports submitted in code to Washington headquarters. A system has been developed whereby no individual, either in the field or at Washington headquarters, may know or conjecture the total figures in the final report. The report will be issued only from Washington at an hour and date specified in advance. This system also provides that the identity of gins submitting samples to be classified will not be disclosed.

WASHINGTON URGES RAISING  
OF HOT HOUSE LAMBS.

Raising hot house lambs for the early market for the purpose of selling lambs at a higher market price and with less competition from other sections is being urged by J. K. Ford, extension specialist in livestock at the State College of Washington.

The bulk of Eastern Washington, Idaho, Montana and Oregon lambs are marketed in July and August, Mr. Ford says. Late Western Washington lambs sell in competition with these, while they would have no competition if lambed early and marketed in April and May. Early marketing will relieve the summer pasture shortage.

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QUALITY MILK IS DEMANDED  
BY PLANT OPERATORS.

Buying milk on a quality basis is becoming more popular each year with milk plant operators, according to P. H. Tracy of the Illinois College of Agriculture. Under the system of paying for milk on a quality basis, he says, the man who produces good milk is paid a premium whereas the farmer or dairyman who delivers milk of poor quality is penalized by being paid a sub-market price. Milk plant operators have it necessary to pay closer attention to the quality of the raw milk as it is delivered to the plant in order to improve the quality of the product as it leaves the plant.

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NEW HAMPSHIRE PROMOTING USE  
OF ASPARAGUS GRADES.

A plea to farmers to use the asparagus grades agreed to by five of the New England States is being made by the New Hampshire Department of Agriculture. If the crop runs of average quality or better, according to the announcement, "we believe that New Hampshire growers will do well to market their grass on a graded basis and incidentally give the New England grades a try out. A trial this year should disclose any weakness in the grades and place our growers in a better position to decide whether or not any changes in the grades are necessary should authority ever be given to the Commissioner of Agriculture to promulgate asparagus grades in our state."

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U. S. STANDARDS FOR APRICOTS (1928) have been issued by the Bureau of Agricultural Economics, U. S. Department of Agriculture.

"MARKETING GEORGIA PEACHES, Summary of 1927 Season," has been issued in mimeograph by the Bureau of Agricultural Economics.



PROF. O. E. REED NEW CHIEF  
BUREAU OF DAIRY INDUSTRY.

Prof. Ollie E. Reed, head of the dairy husbandry division of the Michigan State College of Agriculture, has been appointed chief of the Bureau of Dairy Industry, U.S. Department of Agriculture, effective about September 1. The position has been vacant since the first of the year when Dr. C. W. Larson resigned to become director of the National Dairy Council.

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FOUR STATES TO COOPERATE  
IN GRAIN MARKETING STUDY.

Preliminary discussion looking toward a research project in the cooperative marketing of grain through farmers' elevators was held at the Manhattan (Kansas) Agricultural College May 15 by representatives of the agricultural colleges of Kansas, Oklahoma, Colorado and Nebraska, and representatives of the Bureau of Agricultural Economics. Texas Agricultural College may also join in the project. A total of from 100 to 125 elevators will be studied, the plan of procedure following closely a similar study now being conducted in the spring wheat states.

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NEW YORK ADVISES AGAINST  
TOO LARGE POTATO ACREAGE.

If farmers plant as many potatoes this year as forecasts and reports indicate, there is strong likelihood that 1928 will bring fourth a large crop, with prices to the grower ranging from 35 to 60 cents a bushel, according to Prof. M. P. Rasmussen, Cornell University. If 3,855,000 acres are planted, he says, and if the average yield in 1928 is equal to the average for the past five years, the total crop may run as high as 430 to 440 million bushels. Many New York potato growers believe that prices should remain around \$1 a bushel if the industry is to keep on an even keel.

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FOUR FEDERAL OFFICIALS TO  
ATTEND WORLD'S DAIRY CONGRESS.

Four officials of the Department of Agriculture are among the 24 United States delegates designated by the President to attend the Fourth World's Dairy Congress at London, June 26 to July 16. Assistant Secretary Dunlap is chairman of the delegation. The others from the department who will attend are: Roy C. Potts, in charge, division of dairy and poultry products, Bureau of Agricultural Economics; Dr. L. A. Rogers, in charge dairy research laboratories, and Dr. E. B. Meigs, physiologist, Bureau of Dairy Industry.



## RAILROAD NOT REQUIRED TO SHIP NON-PERISHABLES VIA FAST FREIGHT

Norfolk Southern R. Co. v. Hudgins  
Supreme Court of Appeals, Virginia. March 22, 1928  
(142 S.E. 409)

Hudgins was awarded judgment to recover damages caused by alleged delay of one day in transporting a carload of Irish Potatoes from Princess Anne County to New York City. The case was brought up on appeal.

The railroad company required three days in which to deliver the potatoes in New York City, whereas plaintiff showed that if the potatoes had been received within two days, they would have brought a better price, and he contended that such delivery should have been made.

The railroad company, on the other hand, contended that the ordinary schedule and average movement of similar potato shipments from Princess Anne County to New York is three days delivery, putting in evidence records to prove its point, that practically all shipments have required three days; that in 1920 it attempted to put in force a two-day schedule, but this was not done, and that at a meeting of twenty representatives of exchanges and commission merchants called by a railroad official, it was announced that the time of delivery of potatoes for New York would be three days.

The Court took judicial knowledge of the fact that highly perishable products, such as tomatoes, cucumbers, beans, etc., shipped in iced cars and transported by fast freight bear a higher tariff rate than ordinary products not so likely to decay, transported in ordinary freight cars.

In reviewing the case, the Court stated:

"The effect of the holding of the trial court is to impose upon the defendant the onerous burden of transporting such products as potatoes from the vicinity of Norfolk to the New York market in a fast freight train, such as train D-2, for the same transportation rate as is charged for transportation by ordinary freight, this, too, in view of the established fact that potatoes, if properly packed, do not decay if subjected to the average movement of three days. To compel a carrier to perform an unusual service for an inadequate consideration, subjecting it to loss, amounts to confiscation of its property. This both the state and Federal Constitutions inhibit."

Judgment of Trial Court was reversed and final judgment entered for railroad.

IN CONGRESS:

- H.R. 13873, by Mr. Wood, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1928, and prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1928, and June 30, 1929, has passed both Houses.
- S. 3555, by Senator McNary, to establish a Federal farm board to aid in the orderly marketing and in the control and disposition of the surplus of agricultural commodities in interstate and foreign commerce, passed both Houses but was vetoed by the President of the United States, May 23.
- H.R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco by the Department of Agriculture, has been reported out of the Senate Committee (Rept.No.1274).
- S. 872, by Senator Ransdell, to standardize bales of cotton and requiring sale of cotton by true net weight of bale, has been reported out of the Senate Committee (Rept. No.1281).
- S. 4411, by Senator Smith, to amend the Cotton Futures Act, approved August 11, 1916, as amended, by providing for the delivery of cotton tendered on future contracts at certain designated spot cotton markets, by defining and prohibiting manipulation, by providing for the designation of cotton futures exchanges, has been reported out of the Senate Committee.
- S. 4206, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics, has been reported out of the Senate Committee.
- H.R. 6518, by Mr. Welch, to amend the salary rates contained in compensation schedule of the act of March 4, 1925, entitled "An Act to provide for the classification of civilian positions within the District of Columbia and in the Field," has passed both Houses.
- S.J.Res.129, by Senator Ransdell, to provide for eradication of the pink bollworm, and authorizing an appropriation therefor, was signed by the President of the United States, May 21.
- H.R. 12632, by Mr. Purnell, to provide for the eradication or control of the European corn borer, has been forwarded to the President of the United States for his signature.

S. 3556, by Senator McNary, to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use of timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for Agricultural production, and to secure the correlation and most economical conduct of forest research in the Department of Agriculture through research in reforestation, timber growing, protection, utilization, forest economics and related subjects, was signed by the President of the United States, May 22.

H.R. 13565, by Mr. Gibson, to amend the act entitled "An Act for the retirement of employees in the classified civil service, has been reported out of the House Committee (Rept. No. 1870).

New Bills:

H.R. 14030, by Mr. Collins, to authorize the Secretary of Agriculture to create a corporation for the purpose of making loans to farm organizations.

H.R. 13997, by Mr. Vinson, of Georgia, to provide for the delivery at designated spot-cotton markets of cotton tendered on future contracts under the United States Cotton Futures Act of August 11, 1916, as amended.

H.R. 14000, by Mr. McFadden, to amend section 29 of the Federal farm loan act. Similar bills were introduced as follows:  
S. 4577, by Senator Edge, H.R. 13936, and H.R. 13937, by Mr. McFadden, and S. 4534, by Senator Norbeck.

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"A Simple Method for Determining the Oil Content of Seeds and Other Oil-Bearing Materials," has been issued as Technical Bulletin 71-T by the U. S. Department of Agriculture.

"The Brown-Duvel Moisture Tester and How to Operate It," has been issued as Bulletin No. 1375-D (revised) by the U.S. Department of Agriculture.

"Farm Costs and Practices in the Production of Walworth County (Wisconsin) Crops and Livestock," has been issued as Research Bulletin 83 by the Wisconsin Experiment Station.

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THE AREA UNDER QUARANTINE ON ACCOUNT OF THE EUROPEAN CORN BORER has been enlarged to include all that part of New York State not heretofore under regulation, effective June 1, 1928. The added territory includes ten entire counties and parts of two counties in Southeastern New York, including New York City.



STATE AND FEDERAL

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL  
ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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June 6, 1928.

Vol. 8, No. 23.

### FEDERAL STANDARDS PROVIDED FOR PRODUCE CONTAINERS.

Complete standardization of wooden fruit and vegetable containers with the exception of crates and boxes is reported by the Bureau of Agricultural Economics following the enactment at the last session of Congress of legislation covering standards for hampers, round stave baskets, and split or market baskets. This legislation supplements the United States Standard Container Act of 1917, which established standards for Climax baskets for grapes, berry boxes, and till baskets.

The new law provides that hampers and round stave baskets shall be made in the following capacities only: 1/8 bushel, 1/4 bushel, 1/2 bushel, 5/8 bushel, 3/4 bushel, 1 bushel, 1 1/4 bushel, 1 1/2 bushel, and 2 bushel. For splint or market baskets the following sizes are provided: 4 quart, 8 quart, 12 quart, 16 quart, 24 quart and 32 quart. The law provides that manufacturers of these three types of containers shall submit to the Department of Agriculture for approval their dimension specifications, approval to be based on tests of samples as to cubical capacity and whether containers are deceptive in appearance.

The penalty provision of the Act becomes effective November 1, 1929, and its enforcement, in conjunction with the Standard Container Act of 1917, will be in the charge of the Bureau of Agricultural Economics. While non-standard hampers and baskets may be used until November 1, 1929, the department expects to proceed immediately with the work of determining whether manufacturers' specifications are correct.

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### VIRGINIA ISSUES REGULATIONS ON EGG INSPECTION AND GRADING

Rules and regulations governing Federal-State inspection and grading of eggs have been issued by the Virginia Division of Markets and approved by Commissioner of Agriculture G. W. Koiner. The service is not expected to reach a great many points in Virginia at the start, according to J. H. Mekk, Director of the Virginia Division of Markets, but will be established at one or two points in the State and subsequently extended to other places. Nelson A. Loucks, standardization and inspection specialist of the Division of Markets will supervise the inspectors and graders as a joint representative of the Virginia Division of Markets and the U. S. Bureau of Agricultural Economics.

STANDARD GRADES APPROVED  
BY PURDUE UNIVERSITY

Establishment of a grading system for tomatoes in Indiana would tend to provide a simple, economical, impartial, accurate and rapid means of procuring a higher quality raw product, which is the first essential of a more profitable state-wide canning industry, according to Bulletin 317 of the Purdue Experiment Station on "Grading Tomatoes for Quality." The bulletin embodies the results of an investigation in which tomatoes from 940 different growers were graded according to the United States Standards over a period of six weeks. A total of 3,265 loads or 3,518 tons were graded and classified.

The investigation disclosed that 30.4 per cent of the tomatoes were U. S. No. 1's, 50.6 per cent were U. S. No. 2's, while 10 per cent were culls and unfit to manufacture into quality products. It was shown that 72 per cent of all cull loss was preventable.

Standards for apples are similarly discussed in Circular 141 issued by Purdue, in which it is stated that "with a constantly increasing volume of commercial apples grown in Indiana, a uniform standard by which the apples of the state can be graded and packed is much needed if they are to be placed successfully on more distant markets."

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EXTENSION ACTIVITIES BENEFITTED  
BY NEW FEDERAL LAW.

Further development of the cooperative system for extension work in agriculture and home economics, provided by the Capper-Ketcham Act of May 22, 1928, will begin July 1 or after upon acceptance of the terms of the Act by the States, the Department of Agriculture has announced. Funds for the first fiscal year July 1, 1928, to June 30, 1929 became available when the President signed the recent deficiency measure.

A total of \$20,000 is made available July 1, 1928 to each State and to the territory of Hawaii under the Capper-Ketcham Act. The Act authorizes a similar sum and an additional \$500,000 appropriation to be divided among the States and the territory of Hawaii each fiscal year following, to be in addition to the extension funds available under the Smith-Lever Act of May 8, 1914.

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FEDERAL GRADES FOR CEREAL  
OATS ARE ISSUED.

The official grain standards of the United States have been amended to provide a separate classification for "cereal" oats, effective August 30, 1928. The new section provides that "Cereal Oats shall be oats which have been sized with the result that their commercial quality is not reflected by the numerical grade designation, including Sample Grade, alone. Cereal oats shall be graded and designated according to the grade requirements of the standards applicable to such oats if they were not cereal oats, and there shall be added to, and made a part of, such grade designation the word "cereal."



NEW JERSEY AGRICULTURE NEEDS"BETTER BUSINESS METHODS".

New Jersey's agricultural problems are economic and need in large measure the application of sound economic judgment and better business methods. Governor Moore of New Jersey told representatives of leading agriculture, banking, business and other industrial interests in conference at Trenton, June 5.

"Agriculture in New Jersey," declared Secretary William B. Duryee of the New Jersey Department of Agriculture, "is still in depression following the rapid deflation after the world war, the cause of which is low prices of farm products in comparison with taxes, interest payments, wages and the prices of commodities that farmers buy. Farm prices are out of adjustment with prices in cities, wages, taxes and freight rates, and increasing foreign demand offers no relief because European countries are making successful efforts to become self-sufficient.

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CROPS MAKING UP LOST TIMEAFTER BACKWARD SPRING.

The farm production season is now going forward rapidly following a backward spring, although many crops are still behind schedule, according to the June 1 "Agricultural Situation."

Corn was planted under favorable conditions and is already showing up good stands, but cotton is a spotted crop with irregular stands. Haying will begin this month, though grass has been very slow to start. Clover and alfalfa fields show the ravages of a hard winter. The present hay prospect is none too good in the important northern and eastern States and the eastern dairy regions may be buying western hay before another season.

Wheat harvest will also get under way this month, the grain having made rapid progress in the western wheat belt and improved considerable in the East in the past month. Spring wheat was sown under favorable conditions but has been handicapped somewhat by dry, hot weather. The current world wheat situation has tightened up, pending the new crops. Both European and Canadian stocks include low quality grain which requires a mixture of better wheat from other sources.

The hog market, since the April rise in prices, has been declining about in line with last year, but the presumption is that the general trend of pig production is going to be somewhat downward this year and that prices may enter the upward movement of a new cycle. The proportion of sows sent to market suggests that there was enough reduction of breeding stock east of the Mississippi last winter so that the anticipated decrease in the spring pig crop may show up as even greater than expected.

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UNITED STATES STANDARDS FOR AMERICAN (EASTERN TYPE) BUNCH GRAPES (1928) have been issued by the Bureau of Agricultural Economics.



CARTONS FOR BUTTER FAVORED  
FOR SANITARY REASONS.

The increased use of cartons for sanitary reasons in packing butter for retail sale is considered advisable by health officials in 106 of 117 cities, according to a special survey being made by the Bureau of Agricultural Economics. These officials declared that cartons lessen the likelihood of contamination both in the home and in the retail store, and are a means of checking the absorption of undesirable odors.

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FARM PRICE INDEX HIGHEST  
IN THREE YEARS.

A farm price index the highest in almost three years is reported by the Bureau of Agricultural Economics. This index on May 15 was 148 per cent of the pre-war level, an advance of 8 points since April 15. At 148, the bureau says, the index is 22 points above May a year ago and is the highest point the index has reached since August, 1928. It is the highest May figure since 1920.

The advance during the period April 15 to May 15 is accounted for by increases in all groups except dairy products which showed a seasonal decline of 3 points. Grains advanced 16 points, fruits and vegetables 2 points, meat animals 9 points, poultry products 7 points, and cotton and cottonseed 12 points.

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MISSOURI LIVESTOCK OFFICIALS  
INSTRUCTED IN LAMB GRADING.

One hundred and ten officials representing 28 livestock shipping associations from 26 counties in Missouri were instructed in lamb grading the past two weeks at central markets, according to Harry C. Hensley, extension specialist in marketing for the Missouri College of Agriculture. These officials will grade lambs as they are received at local shipping points. Farmers will be informed as to the grade of lambs received before shipment to market so that low grade and cull lambs may be returned to farmers and carried along to a high finish.

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FIXED CASH PRICE FEATURE  
OF MARYLAND WOOL POOL.

More than 3,000 sheep growers in Maryland have been informed by officials of the Maryland Farm Bureau Federation that the State Farm Bureau Wool Pool will be operated this year on the basis of a guaranteed weekly price for the wool it handles during the 1928 shipping season, thus overcoming any uncertainty in the minds of shippers as to the ultimate price they are to receive. The plan has the merit of providing a cash market for all wool shipped to be sold through the pool.

SPECIAL CONDITIONS AS BASIS FOR DAMAGE MUST BE KNOWN TO  
PARTIES AT DATE OF CONTRACT.

Conn et al. v. Texas & N. O. R. Co., et al.,  
Court of Civil Appeals of Texas, March, 1928. (4S.W.193.)

Conn et al. had several hundred cattle on a ranch in Newton County, Texas, for the purpose of feeding them through the winter. A heavy freeze came on December 21 killing about 150 head of the cattle. Prior to that time, in fact, on the third of the same month, Conn, anticipating their need for feed, ordered from a feed company in Fort Worth a carload of meal and hulls under bill of lading dated December 11. The shipment was not delivered until December 29, after the death of the cattle.

Conn pleaded that defendant was negligent in the delivery of the feed and that this negligence caused the damage. Recovery was sought on the ground that defendant was notified at or before issuance of bill of lading that the feed was for the cattle and was needed quickly; that the Railroad Company had notice of this from the character of the feed itself; and that after shipment but before delivery Conn gave notice of special need for the feed, to agents of one of the connecting carriers, not, however, the initial carrier. It is indicated, however, in the discussion of the case that no notice was given to the initial carrier or to any other carrier at or prior to the execution of the bill of lading; that the B/L showed simply that it covered the shipment of certain meal and hulls and that such a notice could not be implied from the nature of the goods shipped, as it could as readily be inferred that the shipment was to a retail dealer rather than to a feeder.

Notice was given to the agents of the Railroad after the shipment had been made of the special need for prompt delivery. It was held, however, that the carrier, having no notice, expressed or implied, at the time of the contract, of the circumstances which might have caused delay to be harmful, and not being negligent in the delivery of the feed after its arrival at destination, was not liable for the special damages sought. The rule was stated in M.K. & T. Ry. Co. v. Belcher, 89 Tex. 428, 35 S.W. 6:

"The rule seems to be settled that plaintiff, in order to recover special damages for breach of a contract, must show that at the date of the contract defendant had notice of the special conditions rendering such damages the natural and probable result of such a breach."

In conclusion the Court stated: "Appellees advance other counter-objections to sustain the judgment of the trial court, which we do not discuss, since we think the judgment is correctly affirmed on the theory that appellees (Railroad) had no notice of the special damages claimed at the date of the contract.

BILLS WHICH BECAME LAWS DURING THE FIRST SESSION OF THE  
SEVENTIETH CONGRESS.

- H. R. 5800, by Mr. Madden, and H.R. 13873, by Mr. Wood, making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1928, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1928. (Pub. Nos. 2 and \_\_\_\_)
- S. 2148, by Senator McNary, to fix standards for hampers, round stave baskets and splint baskets for fruits and vegetables. (Pub.No.462)
- H. R. 7459, by Mr. Morgan, to authorize the appropriation for use of the Secretary of Agriculture of certain funds for wool standards. (Pub. No. 409)
- H. R.12632, by Mr. Purnell, to provide for the eradication or control of the European corn borer. (Pub. No. 505)
- S.J.Res.129, by Senator Ransdell, to provide for eradication of the pink boll-work, and authorizing an appropriation therefor. (Pub. Res. 47)
- H. R. 6518, by Mr. Welch, to amend the salary rates contained in compensation schedule of the act of March 4, 1925, entitled "An Act to provide for the classification of civilian positions within the District of Columbia and in the field." (Pub. No. 555)
- S. 3556 and H.R. 12878, the McNary-McSweeney bill, to insure adequate supplies of timber and other forest products\*\*\*\*\*to promote the full use of timber growing\*\*\*\*\*and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture through research in reforestation\*\*\*\*\*. (Pub. No.466)
- S. 3740, by Senator Jones for the control of floods on the Mississippi River from Head of Passes to Cape Girardeau, Mo. (Pub. No. 391)
- H.J.R. 156, by Mr. Browne, authorizing the President to accept the invitation of the British Government to appoint delegates to the Eight International Dairy Congress to be held in Great Britain during June-July, 1928, and providing for an appropriation of \$10,000 for the payment of the expenses of the delegates. (Pub. Res. No. 10)
- S. 2317, by Senator Watson, continuing for one year the powers and authority of the Federal Radio Commission under the Radio Act of 1927. (Pub. No. 195)
- H.R. 11579, by Senator Jones, relating to the investigation of new uses of cotton. (Pub. No. 270)
- H.R. 12245, by Mr. Strong, to amend the War Finance Corporation Act approved April 5, 1918, amended so as to extend for one year the period specified\*\*\*\*\* (Pub. No. 237)



Among other bills of interest to the bureau upon which some action was taken, were the following:

- S. 2864, by Senator Curtis, to establish the standard of weights and measures for the following, wheat-mill, rye-mill and corn-mill products, namely, flours, semolina, hominy grits and meals and all commercial feeding stuffs, was reported out of the Senate Committee. A similar bill, (H.R. 9040) was introduced by Mr. Perkins and passed the House.
- S. 1414, by Senator Mayfield, for the prevention and removal of obstructions on interstate commerce (Cotton seed oil, future trading) was reported out of the Senate Committee. (Rept. No. 317).
- S. 1294, by Senator Borah, to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce, was reported out of the Senate Committee. (Rept. No. 825).
- H. R. 53, by Mr. Gilbert, to provide for the collection and publication of statistics of tobacco by the Department of Agriculture, passed the House and was reported out of the Senate Committee. (Rept. No. 1274).
- S. 872, by Senator Randall, to standardize bales of cotton and requiring sale of cotton by true net weight of bale, was reported out of the Senate Committee. (Rept. No. 1281).
- S. 1727, by Senator Dale, to amend the act entitled "An act for the retirement of employees in the classified civil service," passed the Senate and was reported out of the House Committee (Rept. No. 1580). A similar bill (H.R. 25) was introduced by Mr. Lehlbach and was reported out of the House Committee (Rept. No. 1263).
- H. R. 393, by Mr. Fenn, to provide for the 15th and subsequent decennial censuses, passed the House.
- H.R. 11074, by Mr. Ketcham, to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture, passed the House and was reported out of the Senate Committee (Rept. No. 840).
- H.R. 10958, by Mr. Haugen, to amend the definition of oleomargarine contained in the act entitled "An act defining butter, also imposing a tax upon and regulating the manufacture, sale, importation and exportation of oleomargarine," was reported out of the House Committee, (Rept. No. 1606).
- S.J.-Res. 46, by Senator Norris, providing for completion of Dam No. 2 and the steam plant at nitrate plant No. 2 in the vicinity of Muscle Shoals, for the manufacture and distribution of fertilizer, passed both houses, but did not receive the signature of the President of the United States.

S. 2149, by Senator McNary, authorizing and directing the Secretary of Agriculture to investigate all phases of crop insurance passed the Senate.

H.R. 13646, by Mr. Vinson, of Georgia, for the prevention and removal of obstructions and burdens upon interstate commerce in cotton by regulating transactions on cotton futures exchanges, was reported out of the House Committee (Rept. No. 1612). A similar bill (S.4411) was introduced by Senator Smith and was reported out of the Senate Committee.

S. 4206, by Senator Heflin, authorizing the Director of the Census to collect and publish certain additional cotton statistics, passed the Senate.

S.J.Res.50, by Senator Smoot, providing that the Secretary of Agriculture be directed to give notice that on and after January 1, 1929, the Government will cease to maintain a market on Pennsylvania Avenue between 7th and 9th Streets, passed the Senate and was reported out of the House Committee (Rept. No. 1755).

H. R. 8298, by Mr. Stalker, authorizing acquisition of a site for the farmers' produce market, passed the House and was reported out of the Senate Committee (Rept. No. 682).

S.J.Res.61, by Senator Capper, to provide for an agricultural day, passed the Senate and was reported out of the House Committee (Rept. No. 1504).

When the second session of Congress opens in December, all pending bills will be taken up at the point reached when the first session closed.

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"Markets for the Farm Products of the Billings (Montana) Trade Area," has been issued as Bulletin 212 by the University of Montana.

"Early and Mid-Season Potatoes, 1928," being a discussion of plantings, production, carlot shipments, prices and 1928 prospects in important states, has been issued in mimeograph by the Bureau of Agricultural Economics.

"The 1927 Yearbook of Agriculture," is now being distributed by the United States Department of Agriculture. The volume reports recent agricultural developments in brief articles. Every branch of the department's work is represented.

"Regulations for Warehousemen Storing Cold Pack Fruit" have been issued in mimeograph by the Bureau of Agricultural Economics."

STATE AND FEDERAL  
**MARKETING ACTIVITIES**  
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June 13, 1928.

V. 8, No. 24.

TENNY RESIGNS AS ECONOMICS CHIEF  
TO JOIN CALIFORNIA COOPERATIVE.

The resignation of Lloyd S. Tenny as chief of the Bureau of Agricultural Economics, effective July 16, to assume an executive position with the Associated California Fruit Industries, Inc., has been announced by Secretary Jardine of the Department of Agriculture. Secretary Jardine expressed regret that the department should lose Mr. Tenny's services.

In accepting Mr. Tenny's resignation the Secretary announced: "I feel that it would be unfair to you and to the opportunity you have in California to request that you continue in your present position. The department is in full sympathy with the efforts now being made to bring some measure of relief to the growers of California, and in your new work you and your associates will receive the full and effective support of this department."

Referring to Mr. Tenny's service as chief of the bureau, Secretary Jardine said: "Under your guidance the work of the Bureau of Agricultural Economics has been further expanded to more closely conform to the economic problems and needs of the farmers. The various services and functions of the bureau fill a vital need in American agriculture and it will be my policy to see that this work, which you have so ably administered, will continue to develop along constructive lines."

No successor to Mr. Tenny's position as chief of the Bureau of Agricultural Economics has as yet been named.

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TENDENCY IS TOWARD LARGER  
FARMER BUSINESS ORGANIZATIONS.

A definite trend toward the formation of larger farmer cooperative marketing organizations in the United States to effect greater marketing economies is declared now in progress by J. F. Booth, economist of the Bureau of Agricultural Economics.

Other tendencies in cooperative marketing enumerated by Mr. Booth include recognition of the need for stronger financing; adoption of a form of organization suitable to farmers, their economic customs and the trade conditions under which the commodity is to be marketed; modification of contracts to suit the needs of members; greater application of sound business principles, and appreciation of the peculiar management problems arising out of the members' relations to the association as owner and patron.



GOVERNMENT BEEF GRADING AND STAMPING  
PUT ON FEE BASIS.

The Government beef grading and stamping service will be placed on a fee basis beginning July 1 and will be available to slaughterers, packers, wholesalers, jobbers, hotels, restaurants, and retailers in Boston, New York, Philadelphia, Washington, D.C., Chicago, Kansas City, and Omaha, the Bureau of Agricultural Economics has announced.

Graded and stamped beef, however, will be available in any part of the United States served by slaughterers or dealers who avail themselves of this service. Official graders are stationed in each of the above cities and will provide the service on request of either buyers or sellers at a charge of \$2 per hour. Based on the experience of the past year this charge will amount to less than 5 cents per carcass. Whereas, heretofore, the service has been limited to "prime", "choice", and "good" grades of steer and heifer beef, after July 1 it will be extended to include all classes and grades of beef.

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FEDERAL POULTRY INSPECTION  
SERVICE IS EXTENDED.

The inspection service on dressed poultry rendered by the Bureau of Agricultural Economics for condition and wholesomeness has been extended recently to the Silz Packing Co. of New York City. Last February the service was established in the plant of the Campbell Soup Co. at Camden, N.J. to enable the company again to enter the Canadian market with its chicken soup, that privilege having been denied it for seven years because of its inability during that time to obtain the necessary inspection by this Government.

The Commissioner of Health of New York City has indorsed and approved the bureau's inspection service on poultry, and states that it is his desire to have the health code of the city amended to include a regulation which will prohibit canned meats and poultry food products of all kinds from entering the city for sale or from being sold in the city unless they have been inspected by an agency whose inspection service has been approved by the Board of Health.

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U. S. STANDARDS FOR FARMERS STOCK WHITE SPANISH PEANUTS (1928) have been issued by the Bureau of Agricultural Economics.

MARKETING SOUTHEASTERN WATERMELONS, Summary of 1927 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

HIGH GRADE ALFALFA, Methods of Production, Baling and Loading for Market, has been issued in mimeograph by the Bureau of Agricultural Economics.

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SECRETARY JARDINE TO SPEAK  
AT COOPERATION INSTITUTE.

Secretary Jardine of the Department of Agriculture will address the fourth annual session of the American Institute of Cooperation at Berkeley, California, July 24, the subject of his speech being: "The Future of Agricultural Cooperation in the United States."

On July 25 Secretary Jardine is scheduled to speak as the guest of the San Jose Merchants Association, San Jose, California, and on the following two days will confer with California farm leaders on local problems as they relate to the work of the Department of Agriculture.

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AGRICULTURAL PROSPERITY DEPENDENT  
ON RECOGNITION OF ECONOMIC FACTORS.

American agriculture will be prosperous or unprosperous, dependent largely upon farmers' recognition of world economic conditions and upon how completely the farms of our country are adjusted to prevailing world conditions, Lloyd S. Tenny, chief of the Bureau of Agricultural Economics, told members of the Vermont State Chamber of Commerce in annual meeting at Rutland, Vermont, June 8.

"Agriculturally," he said, "the world is smaller today than the State of Vermont was a hundred years ago. The farmer of Vermont or the farmer of Iowa, to-day, is influenced more by conditions in Great Britain, Argentina, Australia and other parts of the world, than the farmers of Vermont one hundred years ago were influenced by the happenings in the State of New York. The American farmer must recognize this change in agricultural conditions."

Mr. Tenny described the various services rendered by the bureau which deal with the collection and dissemination of economic information and which have a direct bearing and influence upon the individual farm. He said that fifteen years ago there were no national standards for agricultural crops. Today there are standards for all the major agricultural commodities. There is now a national inspection service on many farm commodities, the quality of more than 200,000 carloads of fruits and vegetables having been inspected and certified by the bureau the last twelve months. There was no disinterested market news information fifteen years ago, but now almost a complete national, and even world service on agricultural products is rendered by the bureau to producers, distribution agencies, and consumers.

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MARKETING NORTH CAROLINA PEACHES, Summary of 1927 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

BOSTON CONSUMING MORE ASPARAGUS, Increases in Acreage and Receipts on Boston Market and Factors which Influence Price, has been issued in mimeograph by the Massachusetts Division of Markets, 136 State House, Boston, Mass. *Har*

PRODUCTION OF BETTER STAPLE COTTON  
STIMULATED BY NEW SERVICE.

Evidence that cotton farmers are manifesting greater interest in the production of better staple cotton as a result of the publication of estimates on the grade and staple length of cotton produced in Georgia and areas in Texas and Oklahoma last year is being received by the Bureau of Agricultural Economics.

In a communication just received at Washington, P. I. Barnes, in charge of the bureau's Atlanta cotton office, declares that "in talking to the head gin man of the Georgia Co-ops I was told our work the past season had stirred up a great deal of interest wherever gins had cooperated. In some sections new seed had been ordered and sold to the farmers at cost just to improve the staple in these sections. In one section 25,000 bushels had been distributed and orders for 20,000 bushels could not be filled for lack of good 1 1/16 inch staple seed. The co-ops are putting out better length staple seed where it is possible to do so, and from what they told me, everyone is cooperating and taking lots of interest in this work.

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URGES RESTRICTION OF ALMOND  
PRODUCTION IN CALIFORNIA.

With the average producer of almonds unable to make money at the relatively high prices that have prevailed for the last three years, further expansion of this speciality crop is not warranted, except on land particularly adapted to the production of almonds and in climatic zones favorable to the crop, according to H. R. Wellman and E.W. Braun, in Bulletin 453 entitled "Almonds" just issued by the California College of Agriculture.

The bulletin is one of a series on California crops and prices.

"The California almond industry," say the authors, "is gradually emerging from the depression which was most acute in 1920. The chief factors responsible for this recovery seem to be of a fairly permanent nature. They are decreased imports and increased demand. On the other hand, the peak in the long upward trend in California production has not yet been reached. In addition, a further decrease in imports or an increase in demand cannot safely be counted on. Furthermore, the wide fluctuations in production from year to year complicate the marketing problem. For these reasons any widespread planting of almonds does not appear to be justified. A conservative expansion may be desirable, but <sup>only</sup> on land particularly adapted to the production of this crop and in climatic zones favorable to it.



MARYLAND TO ISSUE REPORT  
ON CANNING INDUSTRY.

The results of a three-year study on the economics of the canning industry will be published by the Maryland Department of Agricultural Economics this summer. This study, begun in 1925, included cost of production, manufacture and distribution of tomatoes, sweet corn, and peas.

Cost of production records for 1925 were secured for about 250 farms, while about 400 records were obtained in 1926. A partial analysis and tabulation of the schedules for 1925 and 1926 has been made. It is expected that for 1927 there will be obtained 375 records on tomatoes, 125 reports on sweet corn, and 120 records on peas.

The distribution end of the study include the channel of distribution of canned foods from factory to ultimate consumer; brands and labels; spot sales and volume; future sales and volume; freight rates and other transportation charges; insurance charges; brokerage fees and margins; commissions and margins of general sales agents; retailers' margins; grades of goods sold to chain stores and to general retail stores; sales policies and agencies; exports and imports of canned foods; consumption of canned foods; competition with the fresh product, and necessity for improving the quality of canned foods.

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OHIO FINDS DIFFERENCE IN  
NOVEMBER AND MAY MILK MARKETING.

Sharp decreases in the volume of milk sold, and consequently in the returns to the producer, when November records are compared with May records, are shown in a study of conditions in the milk supply in the "Westerville Quadrangle" lying just north of the city of Columbus, by Ohio Extension Service.

Daily receipts of milk by four plants, from this area in May, averaged 55,019 pounds. In November the daily receipts totalled 35,454 pounds, although the number of farms selling milk had increased from 403 to 407. The average daily sales per farm were 137.4 pounds in May and decreased to 89.2 pounds in November. The study was made by A. D. Purke for the rural economics department of Ohio State University.

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FRUIT GROWERS AND GROWERS of Netted Gem seed potatoes in western Montana will visit the Yakima Valley, Washington, this summer to get first hand information on the needs and problems of that important commercial potato producing area. The tour will be made July 8 to 15. Two weeks later a party of commercial potato growers of the Yakima will visit the important seed potato producing areas of western Montana.

LARGE EXTENSION OF COTTON  
AREA IS POSSIBLE.

Discussing the vast shift of cotton production in the United States westward and northward since 1909, Dr. W. J. Spillman, Bureau of Agricultural Economics, declares there is "a possible extension of cotton acreage amounting in Texas alone to ten million acres; and there are other large areas that may yet be devoted to cotton in New Mexico, Arizona, and California, to say nothing of possible extension of cotton northward. This extension now includes about three-fifths of the State of Tennessee, a considerable area in western Kentucky, four counties in southern Illinois, and there are possibilities of material expansion in southern Missouri and Virginia, possibly also in southern Kansas."

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INDIANA FARM PRODUCTS PRICES  
COVERED IN NEW PURDUE BULLETIN.

"One of the greatest wastes in farming results from alternate periods of surplus and deficit production of many farm products, according to Dr. E. C. Young in a new bulletin entitled "Prices of Farm Products in Indiana" issued by the Purdue Experiment Station.

A better understanding of price movements by a large number of farmers, each of whom is acting intelligently in his own interest, will bring increased price stability, Dr. Young says. At present temporary price changes are too often mistaken for permanent changes.

The bulletin is designed to give Indiana farmers a better basis for judgment in regard to prospective prices of their products and may be obtained by writing the Purdue Experiment Station, Lafayette, Ind.

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ENUMERATED ADVANTAGES OF  
ROADSIDE MARKETING.

"The chief advantages of roadside stands to the fruit grower," according to Dr. U. P. Hedrick of the New York State Experiment Station, "are that they eliminate the middleman and that all transactions are for cash. The roadside stand also offers an opportunity for the sale of a far greater variety of products than would otherwise be possible, such as fruit by-products and perishable goods that could not be shipped to distant markets."

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OREGON HAS NEW METHOD OF  
MARKETING STRAWBERRIES.

A new way of handling strawberries has been adopted this season by a Salem, Oregon, shipper. The berries are put up in pound cartons, carefully waxed and beautifully labeled, and thus shipped east to reach consumers as fresh Oregon berries in handy packages.

# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

A REVIEW OF CURRENT SERVICE, RESEARCH AND RELATED PROJECTS ISSUED WEEKLY BY THE BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

June 20, 1928

Vol. 8, No. 25.

### INCREASED USE OF MOTOR TRUCKS IN MARKETING FARM PRODUCE.

The marked increase in the use of motor trucks for hauling farm produce direct from farms to markets is shown in a survey in New York City which brought out that from twenty to thirty per cent of the supply of leading fruits on the New York market is hauled into the city by motor truck. This survey, made by the Bureau of Agricultural Economics in co-operation with the New York Food Marketing Research Council shows that for about three months in mid-season, New York gets nearly one-third its peach supply by truck; one-fourth its tomatoes, and one-fifth its apples. Sometimes during the busy season more than one-half the New Jersey produce supply moves in trucks.

The investigation was limited to peaches, cantaloupes, tomatoes, apples and peppers. The five products reported are shipped by motor truck to New York from points as distant as Virginia, Maryland and Delaware, as well as from the nearby sections of New Jersey, Pennsylvania, Long Island, and Connecticut. The New Jersey truck receipt, with the exception of cantaloupes from Virginia, Maryland and Delaware, far exceeded those from other States.

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### NUMEROUS FARM MANAGEMENT STUDIES UNDER WAY.

An extensive farm management research program including a nation-wide study of the apple situation, combine-harvesters in wheat areas, feed-cattle in the Corn Belt, systems of farming in Southern States, alternative crops in corn borer regions, and an economic survey of agriculture in irrigation areas, to be carried out in cooperation with State agricultural colleges, is being conducted by the Bureau of Agricultural Economics.

The nation-wide apple study was begun more than a year ago in co-operation with 25 States, information being obtained on the number of apple trees of different ages and varieties in each important State, the relative prices received by producers the last five years for apples of a number of varieties and grades, and in the more important apple-producing States to determine more definitely the place which orcharding should occupy in their agriculture.

M. R. Cooper, of the Bureau's farm management organization, is now visiting some of the Western agricultural colleges which are cooperating in the apple survey, and will arrange also for cooperation with the southeastern States in a similar study of the strawberry situation. This study will be made to determine to what extent improvements in marketing methods and practices would increase returns per grower and to learn what adjustments in production should be made in the light of the market outlook.

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Room 307, Bieber Bldg.,  
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PENNSYLVANIA HOLDS CONFERENCE  
ON SEED POTATO GRADES.

A conference to consider revision in the grades for Pennsylvania certified seed potatoes was held June 18 by George A. Stuart, head of the Pennsylvania Bureau of Markets.

"After careful study of the present grades which were adopted a year ago," Mr. Stuart announced, "certain changes in tolerance and size are believed to be justified by Pennsylvania conditions. These proposed changes have been prepared by the Department of Agriculture and will be adopted if they meet the approval of producers and users of certified seed."

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NORTH DAKOTA SURVEYS CARLOAD  
SHIPMENTS OF LIVESTOCK.

The number of carloads of all livestock shipped by rail from the various shipping points of North Dakota increased from approximately 20,000 in 1924 to 25,000 in 1925, and to 26,000 in 1926, according to Rex E. Willard, farm management demonstrator, North Dakota Agricultural College. The number of carloads decreased to about 19,000 in 1927, however.

"This rather steady increase in total livestock from 1924 to 1926," Mr. Willard says, "reflects without question the tendency that prevailed in the minds of North Dakota farmers since 1921 to remove some of the risks involved in exclusive grain production." The decrease in shipments in 1927 as compared with 1926 is accounted for more particularly by the feed situation in 1926. Carload shipments of cattle and hogs increased in the northern counties and in northeastern North Dakota from 1926 to 1927 but decreased in practically all the other counties of the State.

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WESTERN ECONOMICS SOCIETY  
TO MEET JULY 6 AND 7.

The meeting of the Western Society of Farm Economics will be held at Berkeley, Calif., July 6 and 7. The preliminary program includes a discussion of aims, practical value, limitations, and methods of some of the chief types of research in farm economics, with particular reference to the formulation of a sound agricultural policy and a workable program of readjustments for the agriculture of the far west. Subjects for discussion include chief types of research in agricultural economics, commodity supply and price outlooks, farm organization and management, price analysis, marketing, consumer preferences, and economic research as a basis for a state or regional agricultural policy. It is expected that the meetings will be well attended by representatives from a majority of agricultural institutions in the eleven western states. The dates have been chosen so as not to conflict with the American Institute of Cooperation which opens its session July 9.

MILLIMETER DESCRIPTIONS NOW USED  
VIOLATE COTTON STANDARDS ACT.

Millimeter descriptions as now used in interstate and foreign commerce in cotton, if the staple length of the cotton referred to by millimeter description is "of or within" the range of lengths included in the official cotton standards of the United States, are prima facie a violation of the Cotton Standards Act, in the opinion of R. W. Williams, Solicitor of the United States Department of Agriculture.

The opinion was rendered in response to a request of the American Cotton Shippers' Association for an interpretation of the provisions of the Cotton Standards Act which would apply to the present day use of millimeter descriptions in purchases and sales of cotton in interstate and foreign commerce. The Solicitor has before him a statement from the shippers explaining the methods and practices which have grown up in recent years in the use of millimeter descriptions.

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LIVESTOCK DEALERS REQUIRED  
TO KEEP COMPLETE RECORDS.

Announcing that livestock dealers are required under the regulations of the Packers and Stockyards Act to keep records of his transactions, the Department of Agriculture lists the following accounts, records and memoranda which must be kept.

- (1) Copies of bills for all purchases of livestock by him
- (2) Copies of scale tickets issued by stockyards covering purchases and sales by him.
- (3) Book record or register of each purchase and sale of livestock showing date, number of head, weight, dockage if any, amount, and incidental expenses.
- (4) A complete file of cancelled checks issued.
- (5) A check stub corresponding to every check issued.
- (6) Copies of account sales rendered by market agencies in connection with sales for him.

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OHIO SAYS FEEDER CATTLE WILL  
STAY HIGH IN PRICE.

Prices of feeder cattle probably will remain relatively high for some time, in the opinion of C. R. Arnold, Rural Economics Department, Ohio State University. Mr. Arnold bases his opinion on the fact that there is an extremely small number of beef cattle on the ranges, with a decided shortage of breeding cows. He points out that several years are required to increase this supply to any extent.

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MARKETING CALIFORNIA PEACHES, 1927, has been issued in mimeograph by the Bureau of Agricultural Economics.

MAN LABOR BIGGEST COST  
IN SUGAR BEET PRODUCTION.

Man-labor is the biggest item in the cost of growing sugar beets in northwestern Ohio, according to records from 23 farms, Ohio State University has announced. On these farms, 52.3 per cent of the cost of the beets goes into man-labor, regular farm labor, contract labor, and other kinds. Most of the work was done by contract labor, which took 35.6 per cent of the total cost of raising the beets. The average farm in the group surveyed had 10.73 acres in beets. The average yield per acre was 9.93 tons. Total cost per acre was \$62.83 and cost per ton was \$6.12.

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MILLING VALUE OF WHEAT CAN BE  
IMPROVED ON FARM.

Grain inspection statistics collected by the United States Department of Agriculture show that a large proportion of the wheat shipped from country points to terminal markets and inspected and graded under the Federal grain standards fails to meet the requirements for the best grade. In 1926, for example, 59.8 per cent of the wheat inspected did not meet the grade requirement of No. 1 wheat. Many of the shipments, besides being graded below No. 1, were designated as weevily, smutty, garlicky, and treated, or carried dockage notation. Conditions that lower the milling value of wheat are often controllable, says the department, particularly with regard to garlic, smut, dockage, and foreign material other than dockage.

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NEW MEXICO REPORTS ON  
COOPERATIVE MARKETING STUDY.

A report on cooperative marketing associations in New Mexico has just been issued by the New Mexico Experiment Station following a statewide study of these organizations. Among other things, it was learned that marketing products through pools is the most common method used by New Mexico cooperative, that producers' returns are based on the grade and quality of products delivered to the associations, and that Federal grades are in common use by all New Mexico cooperatives. Future prospects for New Mexico cooperatives, as a whole, appear very favorable, according to the report. Only one or two of the existing associations are near failure and the organization of several others is assured. The report has been published as Bulletin 164 entitled "Farmers' Cooperation in New Mexico, 1925-26."

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FACTORS AFFECTING RETURNS FROM POTATOES IN MASSACHUSETTS has been published as Bulletin 240 by the Massachusetts Experiment Station, Amherst, Mass.



"PUBLIC WAREHOUSEMAN" - LAWS OF NEBRASKA.

Suit was brought by the First National Bank of Lincoln against the Lincoln Grain Company as principal and the Globe Insurance Company as surety (219 N.W. 192) on two bonds for the conversion of grain represented by warehouse receipts issued by grain company as a public warehouseman to plaintiff as collateral security for money loaned by it to the grain company. Judgment was found in favor of plaintiff for \$50,000. From this judgment the surety company appealed.

The grain company operated a grain elevator or warehouse. Upon application, a license was issued to the company by the Nebraska State Railway Commission authorizing it to conduct the business of public grain warehouseman under State laws. Bonds were furnished to cover grain to be stored. While licensed and while bonds were in force, several loans were made by the bank to the grain company, each loan being evidenced by a note executed by grain company and accompanied by warehouse receipts as collateral security. Each note contained a clause pledging the warehouse receipt as security for all indebtedness of grain company to the bank. The warehouse receipts were in form prescribed by State Railway Commission and stated conditions of storage and insurance and also that grain would be returned to owner upon delivery of receipts. The bonds constituted the security upon which plaintiff relied in accepting the warehouse receipts.

The following questions were presented upon appeal by the surety company:

1. That grain company was not technically a warehouseman.
2. That certain of the grain was not in the company's elevator or in its possession at time of issuance of receipts.
3. That pledge of warehouse receipts issued on its own grain by grain company as security for its own debt is in legal effect a chattel mortgage and not entitled to protection under the bond.
4. That grain company was not authorized to issue receipts covering its own grain in its own elevator as security for its own debt.

Chapter 69, Art. 2, Compiled Statutes, 1922, is the controlling legislation. This is "An act to provide a public warehouse system for handling grain and to regulate the procedure thereunder." Section 7224 provides, "Any grain dealer ... in this state who receives grain for storage or shipment or both may avail himself of the provisions of this act by filing notice of his acceptance thereof with the State Railway Commission and become thereby a public warehouseman." In interpreting this language the court in its opinion stated:

"The language, as to qualities required to undertake this public employment, is broad and inclusive. It obviously includes, as a party qualified to be licensed thereunder with reference to transactions therein contemplated, a grain dealer who never received into, shipped from, handled, deposited, or in any way stored in his warehouse any grain in which any other person or persons had any property right

or interest; nor issued, nor offered to issue, any warehouse receipts or storage tickets for grain received there; nor carried on, nor offered, nor attempted to carry on in his warehouse the business of handling, storing, or shipping grain of or for any other person or persons whose warehouse was used, occupied, and operated solely for the purpose of purchasing, handling, and shipping his own grain in his private capacity as a grain merchant. W. W. Cargill Co. v. Minnesota ex rel. Railroad & W. Commission, 130 U. S. 452, 21 S. Ct. 423, 45 L. Ed. 619."

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"It therefore follows that the grain company must be deemed as 'warehouseman,' authorized to issue 'technical warehouse receipts,' and responsible for such transactions in which it might engage which, in contemplation of this statute, constitute 'warehousing transactions,' especially when the same are intrastate in character."

On the contention that certain of the grain was not in the company's elevator or in its possession at time of issuance of receipt, the court stated that to hold delivery to come within the protection of the bond must be within the four walls of the warehouse would ignore the established course of business and the terms of the statute; that the rule contemplates only delivery of property in the vicinity of warehouse under the possession and control of the warehouseman.

As to the contention that the transaction between grain company and bank amounted in legal effect to a chattel mortgage, it was held that the statute imposed a duty on the warehouseman to deliver grain covered by the receipts upon presentation of receipts by the party entitled to possession of the grain; that the bond expressly reaffirmed these statutory obligations which provide that licensee, in whose behalf bonds are given, shall promptly pay to the storers of the grain for all loss to the grain held in storage, including damages resulting from nondelivery.

It was held further that under all the facts the statute had been complied with up until the default of the grain company through failure to deliver the grain as required by the terms of the warehouse receipts; that the bank made the loans to grain company in good faith, relying upon the warehouse receipts issued and delivered to it by the grain company, and in reliance upon the bonds executed in the grain company's behalf by the surety company; that the surety company received due and valuable consideration for the execution of the bonds and assumed obligations contemplated by the statute and the terms of the bonds; that the enforcement of these obligations is the subject of this action and that the evidence sustained the judgement of the district court.



# MARKETING ACTIVITIES

## AND OTHER ECONOMIC WORK

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June 27, 1928

Vol. 8, No. 26.

### NATIONAL ASSOCIATION OF MARKETING OFFICIALS TO MEET DECEMBER 4, 5, and 6.

#### Call for Program Suggestions.

The next annual meeting of the National Association of Marketing Officials has been set tentatively for December 4, 5, and 6 at Chicago, H. Deane Phillips, president of the association has announced in a call upon executive and associate members for program suggestions.

Suggestions are invited with regard to speakers who may be secured, possible round-table discussions on some subjects, and on any other matters, including adverse criticism of previous programs and suggestions for improvement. Mr. Phillips believes that fewer set speeches and more opportunity for discussion are needed, and unless there is objection to this plan, an attempt will be made this year to develop the program along discussion lines.

Every member of the association who can furnish names of prospective outside speakers or can propose discussion on any phase of marketing work is asked to communicate

#### IMMEDIATELY

with H. Deane Phillips, State Bureau of Markets, Albany, N.Y.

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### NILS A. OLSEN NAMED CHIEF OF BUREAU OF AGRICULTURAL ECONOMICS.

Appointment of Nils A. Olsen as chief of the Bureau of Agricultural Economics, effective July 16, has been announced by Secretary Jardine of the United States Department of Agriculture. Mr. Olsen has been assistant chief of the bureau, in charge of research, since May, 1925, and succeeds to the chiefship made vacant by the resignation of Lloyd S. Tenny.

Mr. Olsen joined the Department of Agriculture in 1919, as an assistant agricultural economist, and has been progressively promoted since then through the various economic activities of the department. Secretary Jardine declared that "through training and experience Mr. Olsen is eminently fitted to carry on the activities so ably administered by Mr. Tenny."

Mr. Olsen's education was received at Luther College, Iowa; Johns Hopkins University; and the University of Wisconsin. He was an instructor in history and economics at Muhlenberg College, Penna., and a graduate student in history and economics at Harvard University. He was born at Herscher, Illinois, August 31, 1886.



### NEW MEXICO MAKING SECOND EGG STORAGE TESTS.

A second series of egg storage experiments for the purpose of ascertaining whether it pays to grade out the average farm run eggs as they come from the farm flocks and store those of better quality, turning the remainder on the market for quick consumption is being conducted by the New Mexico Agricultural College. Eggs have been obtained from produce dealers and nothing is known as to how the birds were fed or cared for.

The first egg storage experiments, made last year, indicated that eggs can be successfully and economically produced under New Mexico farm conditions, but that if a good storage egg is to be produced, emphasis must be placed on the following practices: Produce infertile eggs, gather frequently, store in a cool place until marketed, market eggs within a few days after the eggs are laid, feed only a limited quantity of green feed to the birds, and DO NOT feed cotton seed meal nor cotton seed in any form.

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### MISSOURI ADOPTS STANDARDS FOR LIVESTOCK ACCREDITATION.

Standards for use in accrediting livestock shipping associations, including suggestions made at 13 regional meetings of association officers, have been adopted by representatives of the Missouri College of Agriculture, and the preliminary inspection and scoring of the 30 associations that have filed applications has begun.

Preliminary scoring is being done by the county and district extension agents in the counties having such agents, and by representatives of farm organizations in non-agent counties. Final scoring will be done by the extension specialist in marketing for the College of Agriculture.

The standards that have been established are intended to encourage efficiency on the part of the associations engaged in marketing livestock.

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### HAWAIIAN FARMERS URGED TO USE STANDARD GRADES.

Declaring that a survey of the markets throughout the Territory of Hawaii shows that the matter of grades and standards is almost totally disregarded, the Hawaiian Extension Service has issued a plea for more general use of standard grades if producers in Hawaii are to compete successfully with products from the mainland. Radical changes in marketing must be undertaken, says the Service, if Hawaiian farmers are to enjoy profits.

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EARLY AND MID-SEASON POTATOES, 1928, has been issued in mimeograph by the Bureau of Agricultural Economics. This mimeograph deals with plantings, production, carlot shipments, prices, and prospects in important states.

MASSACHUSETTS STUDIESDAIRY REPLACEMENT PROBLEM.

A study of the dairy replacement problem in Massachusetts in which are summarized the long-time outlook for dairying in New England, the present replacement situation, and raising versus purchasing as a solution for dairy-men in Massachusetts has been made by the Massachusetts Agriculture College "Committee on the Economic Status of Massachusetts Agriculture."

Full details of the study and conclusions reached by the committee may be obtained from H. W. Yount, Massachusetts Agricultural College, Amherst, Mass.

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NORTH DAKOTA REPORTS INCREASEDUSE OF COMBINE-HARVESTERS.

There were more than 200 combines on the farms of North Dakota in 1927, and recent reports coming from growers and dealers indicate that this number will be greatly increased this year, according to Dr. A. H. Benton, specialist in marketing, North Dakota Agricultural College.

Three years ago combines were practically unknown in the state; three were reported in 1925, and 30 in 1926. Dr. A. H. Benton's survey of the use of combines, their advantages and disadvantages, has been published in North Dakota Agricultural College Bulletin 220, entitled "The Combine in North Dakota - A Progress Report."

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OUTLINES RESEARCH PROGRAMFOR DAIRY INDUSTRY.

A program of economic research for the dairy industry, outlined by F. A. Beuchel, Department of Agriculture economist, addressing the American Dairy Science Association at Madison, Wisc., June 26, would include comprehensive studies of the economic history and geography of the dairy industry; farm organization and methods in dairy regions; the physical movement of specific dairy products from areas of production to centers of consumption; wholesale price-making mechanism for butter and cheese; quantitative analyses for determining and measuring the factors which influence the price and supply of and the demand for butter, cheese, fluid milk and concentrated milk; and qualitative studies by the survey method of consumer habits and preferences with respect to dairy products.

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LAWS AND REGULATIONS administered by the United States Department of Agriculture governing the importation into the United States of food, drugs, plants, animals, and plant and animal products have been issued in mimeograph by the department.

MARKETING COLORADO BARTLETT PEARS, Season of 1927, has been issued in mimeograph by the Bureau of Agricultural Economics.



EIGHTEEN AGRICULTURAL COLLEGES  
ISSUING ECONOMIC REVIEWS.

Eighteen state agricultural colleges in addition to the Federal Department of Agriculture now are issuing monthly, or more often, publications which make economic information available to farmers in more or less popular form, according to a survey just completed by a committee of the Outlook Conference of the United States Department of Agriculture. Several additional States are contemplating the issuance of similar publications.

The economic reviews are part of a broad program in which the United States Department of Agriculture and the State colleges are linked together, and which seeks to help the farmer to adjust his business as profitably as possible to the requirements of the market.

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TIMOTHY HAY ACREAGE TOO LARGE  
FOR FEED REQUIREMENTS.

Declaring the hay acreage of the United States is overexpanded at the present time, Edward C. Parker, hay marketing specialist of the Bureau of Agricultural Economics, told the Twentieth Annual Convention of the Farm Seed Association of North America, at Chicago, June 26, that timothy and timothy-mixed hay acreage may be expected to decrease during the next decade.

The least needed and least productive meadows in our over-expanded acreage, he said, are the old timothy meadows in the East North Central and North Atlantic States, and the prairie meadows in the North Central and South Central States. Some of these old timothy meadows, he predicted, will be abandoned or converted into permanent pastures because the demand for timothy in the cities and southern markets is insufficient to absorb all the surplus hay possible of production on these lands.

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THIRTY-ONE COTTON WAREHOUSES  
COME UNDER WAREHOUSE ACT.

Thirty-one large cotton warehouses in Tennessee, Mississippi, Arkansas, Louisiana and Texas were licensed during the past month under the Federal Warehouse Act. These warehouses have a combined storage capacity of 854,000 bales. The licenses, effective June 1, were issued to the Federal Compress and Warehouse Company of Memphis and two other companies controlled by the same management.

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MARKETING NORTHWESTERN FRESH PRUNES, Summary of 1927 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

MARKETING EASTERN SHORE MARYLAND AND DELAWARE CUCUMBERS, 1927 season, has been issued in mimeograph by the Bureau of Agricultural Economics.



HIGH GRADE ALFALFA IS  
IN CONSTANT DEMAND.

A much larger quantity of high grade alfalfa could be profitable marketed in the United States if producers would study market demands and make their production and loading practices conform to the market requirements, according to Edward C. Parker, hay marketing specialist of the Bureau of Agricultural Economics.

Great numbers of dairymen who do not now utilize much alfalfa but depend largely on mill feeds for protein, he says, would become buyers of alfalfa if supplies of high grade alfalfa were available at all times. Many farmers are intermittent sellers of low-grade, surplus hay, but comparatively few specialize in the production of high-grade, market alfalfa.

A detailed account of hay-making, curing and baling practices, together with recommendations as to the best methods of performing these operations has been published by the bureau in a mimeograph pamphlet entitled "High Grade Alfalfa, Methods of Production, Baling, and Loading for Market."

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PRODUCE AGENCY ACT INVESTIGATIONS  
ARE INCREASING.

Complaints against commission merchants for investigation under the provisions of the Produce Agency Act are increasing in number and importance, the Bureau of Agricultural Economics has announced. A representative of the bureau who visited produce sections in South Carolina, Georgia, and Mississippi, recently, reports considerable interest in this Act among growers.

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BUREAU REPORTS ON COTTON  
CLEANING TESTS.

A report of tests dealing with the cleaning of low-grade cotton of the Texas crop of 1926 has been issued by the Bureau of Agricultural Economics in a mimeograph publication. The report discusses the development and use of the so-called "cotton sled", and gives results of tests dealing with mechanical and moisture conditions, percentages of waste, strength of yarns, irregularity of yarns, manufacturing properties, appearance of yarn, and relation of yarn strength to fiber length and strength.

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MARKETING EASTERN SHORE MARYLAND AND DELAWARE CANTALOUPEs, 1927 Season, has been issued in mimeograph by the Bureau of Agricultural Economics.

SPECIFIC PERFORMANCE OF CONTRACT TO PLANT AND CULTIVATE TOMATOES.  
Thompson V. Winterbottom, Court of Appeals, Maryland, April, 1928.  
(141 Atl. 343)

Thompson, a tenant on a farm owned by Dr. H. P. Copeland, contracted with Winterbottom who operated a canning factory, to plant and cultivate 15 acres of land in tomatoes and to deliver the crop when matured at a designated place and at a specific price per basket. The contract stipulated that Thompson should not raise tomatoes on the farm for any others than Winterbottom. Before entering into the contract, an agent of Winterbottom saw Copeland, the owner, who referred him to Thompson as to any agreement which might be made, and Copeland stated also that checks should be drawn in favor of Thompson.

It appears that Thompson had operated the farm for two years prior and that Copeland had shared in the profits of the farm on contracts covering the sale of the produce. In compliance with the contract, the tenant planted 17 acres in tomatoes. When the crop was ripening Copeland claimed that 10 acres had been planted and cultivated for his exclusive benefit under a general reservation of such right in the terms of the tenancy. This, however, was not disclosed to Winterbottom when he entered into contract with the tenant by the landlord's express permission. It was not until the crop was maturing the Winterbottom was advised of the landlord's claim. Under his claim Copeland began to remove the crop from the 10 acres and to have it delivered to another canner at a higher price than contracted for by appellees. Suit was brought for specific performance of the contract. From a decree affording the plaintiff relief the defendants appealed. Affirmed.

In its opinion the court upheld the contentions of the canners that the contract was entered into in good faith by them with Thompson with the knowledge and concurrence of Copeland; that prejudice to the canners from failure to perform the contract is clearly shown as the prosecution of their business depends upon provisions made for the acreage from which their requisite supply of tomatoes is to be obtained; that upon the basis of such arrangements they plan and regulate their operations for the canning season and make purchases of cans and other material and contract for sale of their future product; that if Thompson had agreed to plant only 7 acres for appellees, the remaining acreage no doubt could have been secured by them elsewhere; that because of their reliance upon the agreement to plant 15 acres, the appellees would have been subjected to loss from failure of performance; that they were encouraged by the landlord to rely upon the authority of the tenant to carry out the terms of the contract; and that there is no injustice to the landlord in requiring him to see that the terms of the contract which he encouraged are carried out.